OILBOY

ENERGY LIMITED

ANNUAL REPORT

For The Year Ended

June 30,2024 .

CONTENT

Our mission

Our Mission is, to satisfy and meet the needs of our customers, providing our products and services with the quality catering their needs and preferences and to create value for our stakeholders through our values and principles. We are determined to respond to customer need with value added products and services. It is our belief that we can fulfill this mission through a unique combination of vision, effective supply chain management and innovative technology.

Vision Statement

To be innovative, effective and efficient in our field to the benefit of society, we will fairly compete in quality, technology, sales and marketing expertise, while ensuring sound financial and sustainable growth of the Company for the sake of its stakeholders and reputation.

Principle

We will base our human resources systems on our proven principles reflective of our core values and our commitment to attract, reward, develop and motivate sophisticated people. They will reflect the global scope of our business while demonstrating responsibility and flexibility with respect to cultural diversity, and statutory and regional business realities.

Emphasis

To be innovative in our field to the benefit of society, we will fairly compete in quality, technology, sales and marketing expertise, while ensuring sound financial and sustainable growth of the Company for the sake of its stakeholders and reputation.

Social Responsibility

We will continually strive to be environmentally responsible and support the communities where we operate and the industries in which we participate.

Corporate Values

- Total Customer Services
- Long-Term Business Focus
- Technology Oriented
- Quality & Reliability
- Staff Development & Teamwork
- Effective Resources & Cost Management
- Corporate Responsibility

Company Information

Board of Directors

1.	Mr. Farhan Abbas Sheikh	Chairman
2.	Ms. Fatima Jamil	Chief Executive Officer/ Executive Director
3.	Mr. Muneeb Ahmad Khan	Executive Director
4.	Mr. Abdul Ghaffar	Executive Director
5.	Ms. Farkhanda Abbas	Non-Executive Director
6.	Mr. Dr. Saad Liaquat	Independent Director
7.	Mr. Muhammad Usman Shakuat	Independent Director

Board Audit Committee

Mr. Dr. Saad Liaquat	Chairman
Mr. Farhan Abbas Sheikh	Member
Mr. Abdul Ghaffar	Member
Ms. Hina Kashif	Secretary

Human Resource and Remuneration Committee

Mr. Dr. Saad Liaquat	Chairman
Mr. Farhaan Abbas Sheikh	Member
Mr. Muneeb Ahmad Khan	Member
Mr. Inam Ullah	Secretary

Company Secretary Inam Ullah

Legal Advisor Barrister Sara Seerat, Mahmood Awan & Partners

Head of Internal Auditor Ms. Hina Kashif

Auditors Reanda Haroon Zakaria Aamir Salman Rizwan & Company Chartered Accountants

Registrar
Digital Custodian Company Limited
4-F, Perdesi House, Old Queens Road,
Karachi.
Phone: +92 (21) 32419770
Fax: +92 (21) 32416371

Registered Office 5A/1, Gulberg 3, Off M.M. Alam Road, Lahore.

Bankers' Details

Sr no.	Bank	A/C No	Bank Address
1	Meezan Bank	0254-0106325995	Zahoor Ellahi Road Branch Lahore
2	Faysal Bank Limited	319230100000 2164	Ferozepur Road Branch, Lahore.
3	Faysal Bank Limited	319230100000 2429	Ferozepur Road Branch, Lahore.
4	J.S Bank Limited	0001984041	Islamabad Stock Exchange branch
5	J.S Bank Limited	0001989026	Islamabad Stock Exchange branch
6	Meezan Bank	0516-0108234968	110-111/A Commercial Market, Model Town Multan.
7	Bank Al Habib Limited	5501008101644900	IB-Gulberg Branch (5501)

Code of Corporate Governance

The requirements of the Code of Corporate Governance, as introduced by the Securities and Exchange Commission of Pakistan (and set out by the Pakistan Stock Exchange Limited in its Listing Rules), have been duly complied with. A statement to this effect is annexed with the report.

Compliance with Code of Corporate Governance
In compliance with the Code, the Board of Directors of your Company states that:

- The financial statements, prepared by the management of your company, fairly present its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account have been maintained by your company.
- Appropriate accounting policies are consistently applied by your Company in the preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of these financial statements and any departure there from, if any, has been adequately disclosed.
- The system of Internal Control, being implemented in your Company is sound and has been effectively persisted throughout the year.
- Keeping in view the financial position of your Company, we do not have any significant doubt upon its continuance as a going concern.
- There also has not been any material departure from the best practices of corporate governance, as detailed in the listing regulations, during the year under review.

Audit Committee
The Board of Directors of the Company has established an Audit Committee comprising of three members, in compliance with the Revised Code of Corporate Governance 2017 (CCG). Whom three are Non-Executive Directors including Chairman of the Committee. During the year June 30, 2024, the Committee met **four** times. The Meetings of the Audit Committee were held at least once every quarter prior approval of the interim and final results of the Company as required by CCG. The attendance of the Board Members was as follows:

Audit Committee	**04-Oct-23**	**30-Oct-23**	**29-Feb-24**	**30-Apr-24**	**Attendance**
Mr. Dr. Saad Liaquat	P	A	P	P	**3/4**
Mr. Farhan Abbas Sheikh	P	P	P	P	**4/4**
Mr. Abdul Ghaffar	P	P	P	P	**4/4**
Total	**3/3**	**2/3**	**3/3**	**3/4**	
P = Present					
A = Absent					

The Head of Internal Auditor, Secretary of the Committee and Chief Financial Officer also attended all meetings during the year under review. The Committee also met the External Auditors separately in the absence of Chief Financial Officer and Head of Internal Audit to get their feedback on the overall control and Governance structure within the Company.

Terms of reference of Audit Committee

The Committee reviews the periodic financial statements and examines the adequacy of financial policies and practices to ensure that an efficient and strong system of internal control is in place.

The Committee also reviews the audit reports issued by the Internal Audit Department and compliance status of audit observations.

The Audit Committee is also responsible for recommending to the Board of Directors the appointment of external auditors by the Company's shareholders and considers any question of resignation or removal of external auditors, audit fees and provision of any service to the Company by its external auditors in addition to the audit of its financial statements.

The Terms of Reference of the Audit Committee are consistent with those stated in the Code of Corporate Governance and broadly include the following:

1. Review of the Interim and Annual Financial Statements of the Company prior to approval by the Board of Directors.
2. Discussions with the external auditors of major observations arising from interim and final audits; review of management letter issued by the external auditors and management's response thereto.
3. Review of scope and extent of internal audit ensuring that the internal audit function has adequate resources and is appropriately placed within the Company.
4. Ascertain adequacy and effectiveness of the internal control system including financial and operational controls, accounting system and reporting structure.
5. Determination of compliance with relevant statutory requirements and monitoring compliance with the best practices of corporate governance.
6. Institute special projects, value for money studies or other investigations on any matters specified by the Board of Directors.
7. Review of management letter issued by the External Auditors and Management response thereto:

Report of the Audit Committee

The Committee performs its functions in accordance with the terms of reference as approved by the Board and reviewed the following key items during the current financial year.

Financial Reporting

The Committee reviewed, discussed and recommended for Board approval, the draft Interim and Annual Results of the Company. The Committee discussed with the CFO, HIA and External Auditors of the Company on significant accounting policies, estimates and judgments applied in preparing the financial information.

Review of Compliance with the Code of Corporate Governance (CCG)
The committee places great importance on ensuring compliance with the best practices of the Code of Corporate Governance. In this respect, the Committee annually reviews the Company's Compliance with the CCG.

Appointment of External Auditors

As per the requirements of the CCG and term of reference of the Audit Committee, the Committee recommended the appointment and remuneration of External Auditors to the Board for their approval.

Review of Management Letter issued by the External Auditors

The Committee also reviews the Management Letter issued by the External Auditors' wherein control weaknesses are highlighted. Compliance status of previously highlighted observations by the External Auditors' is reviewed and corrective measures are discussed to improve the overall control environment.

Internal Audit

In compliance with the Code, the Board of Directors of your Company has also established an Internal Audit Function to monitor and review the adequacy and implementation of Internal Control at each level of your Company.

Transfer Pricing

It is the company's policy to ensure that all transactions entered with related parties must be at arm's length. In exceptional circumstances, however, company may enter into transactions, other than arm's length transaction, but company should, subject to approval of Board of Directors and Audit Committee, justify (and duly jot down & present in the financial statements) its rationale and financial impact of the departure from the arm's length transaction.

Risk Management Policy

The Board plays a key role in risk management principally through the Risk Management Committee. Programs have been established to consider and manage operational, strategic, technological, scientific, reputation, environmental health and safety and other risks to the Company's businesses.

These are reviewed with the committees on a regular basis.

All operational units incorporate Risk Management into their planning process:

- To minimize risk within the Company
- To ensure Risk Management is incorporated into the corporate governance systems and management structure of the Company
- To ensure that significant Risks within the Company are identified and appropriate strategies are in place to manage them
- To develop effective and efficient Risk Management procedures

Strategic Planning

It is company's mainstay policy to position itself strategically in order to achieve its vision of being recognized as a world-class manufacturer of top-quality products and to deliver value to its consumer; and

1. To ensure that decisions about strategic positioning are made within the context of a comprehensive and shared understanding of the External/Internal environment.
2. To identify and consider opportunities for the Company to consolidate and strengthen its position.
3. To establish productive and mutually-beneficial partnerships to develop a sustainable competitive advantage.
4. To ensure that the Company has strong and effectively aligned planning and budget processes, incorporating review and continuous improvement mechanisms.

Human Resources

The company is committed to equal opportunity employment. It accepts the obligation as a member of the community at large and as an employer to exercise an active and positive program of non-discrimination in all areas of employment.

Employment decisions are made by providing equal opportunity and access on the basis of qualification and merits. Moreover, the company shall ensure that fair, consistent, effective and efficient recruitment and selection practices exist in hiring the most suitable candidates.

Your Company has recomposed the HR & Remuneration Committee (Compensation Committee).

Terms of Reference of the Human Resource & Remuneration Committee:

The Committee shall be responsible for making recommendations to the Board for maintaining:

1. A sound plan of organization for the company.
2. An effective employees' development program.
3. Sound compensation and benefits plans, policies and practices designed to attract and retain the caliber of personnel needed to manage the business effectively.
4. Evaluate and recommend for approval of changes in the organization, functions and relationships affecting management positions equivalent in importance to those on the management position schedule.
5. Determine appropriate limits of authority and approval procedures for personnel matters requiring decisions at different levels of management.
6. Review the employees' development system to ensure that it:
    a. Foresees the company's senior management requirements.
    b. Provides for early identification and development of key personnel.
    c. Brings forward specific succession plans for senior management positions.
    d. Training and development plans.
7. Compensation and Benefits:
    a. recommending human resource management policies to the board;
    b. recommending to the board the selection, evaluation, compensation (including retirement benefits) and succession planning of the CEO;

c. recommending to the Board the selection, evaluation, compensation (including retirement benefits) of COO, CFO, Company Secretary and Head of Internal Audit; and senior management reporting to CEO.

Meetings of the Board of Directors

During the year, the Board of Directors of your company has met five times and the attendance at each of these meetings is as follows:

	04-Oct-23	**30-Oct-23**	**29-Feb-24**	**30-Apr-24**	**Attendance**
Mr. Farhan Abbas Sheikh	P	P	P	P	**4/4**
Ms. Fatima Jamil	P	P	P	P	**4/4**
Ms. Farkhnda Abbas	-	-	-	P	**1/4**
Mr. Muneeb Ahmad Khan	P	P	P	P	**4/4**
Mr. Abdul Ghaffar	P	P	P	P	**4/4**
Mr. Dr. Saad Liaquat	P	-	-	P	**2/4**
Mr. Muhammad Usman Shaukat	-	P	-	-	**1/4**
Total	**5/7**	**6/7**	**4/7**	**6/7**	

Pattern of Shareholding
The pattern of shareholding of your Company as on June 30, 2024 is annexed with this report. This statement is in accordance with the amendments made through the Code.

FREE FLOAT OF SHARES

OILBOY ENERGY LIMITED	
FREE FLOAT OF SHARES	
AS ON JUNE 30, 2024	
Total Outstanding Shares	25,000,000
Less: Government Holding	-
Less: Shares held by Directors, Sponsors and Senior Management Officers and their Associates	(6,815,084)
Less: Shares held in Physical Form (General Public)	(333,824)
Less: Shares held in CDS by Associate Companies	(1,382,872)
Less: Shares issued under Employees Stock Option Schemes that cannot be sold in the open market in normal course.	-
Less: Treasury Shares	-

Less: Any other category that are barred from selling at the review date	-
Free Float	**16,468,220**
Total Number of shares held in Physical Form	**8,524,780**
Total Number of shares in CDC	**16,475,220**

Share Trading

All trades in the shares of the Company, carried out by its directors, CEO, CFO, Company Secretary, their spouses and minor children is also disclosed in Form 34, if any, annexed with this report. For the purpose of this clause 5.19.11(xii) and clause 5.19.15 of the Code of Corporate Governance Regulations, the expression "executive" means the CEO, COO, CFO, Head of Internal Audit and Company Secretary and employees of the Company for whom the Board of Directors has determined the minimum threshold of gross salary (excluding retirement funds) of Rs. 5.55 million per annum for the financial year 2023-2024.

Chairman's Review Report

Dear Shareholders,

Generally, 2023-2024 was a tough year for the Country. Pak Rupee devaluation, persistently high KIBOR rates, inflationary pressures were remained major areas of concern. Moreover, recent taxation measures are adding problem to the trade (supply chain).

During the year, certain decisions are taken by the Board of Directors of the Company as per approved business plan of the Company which are as under: -

The Company has acquired following sites/petrol pumps on lease for sale and purchase of the oil/gasoline products as per principal line of business of the Company: -

1. Hussain Petroleum, Multan
2. Roshan Petroleum, Sheikhupura

The sale and purchase of oil products at all the above sites has been started and the Company has started generating the revenues and the Management is confident for better return for the investors/shareholders of the Company in future.

We would like to thank our customers for their trust and also like to thank all our colleagues, management and staffs that are strongly committed to their work as the success of your Company is built around their efforts. We also thank our shareholders for their confidence in the Company and assure them that we are committed to do our best to ensure best rewards for their investment in the Company.

Mr. Farhan Abbas Sheikh
Chairman/Non-Executive Director

صدرِ مجلس کی جائزہ رپورٹ

محترم شیئر ہولڈرز،

عام طور پر، 2023-2024 ملک کے لیے ایک مشکل سال رہا۔ پاکستانی روپے کی قدر میں کمی، مسلسل بلند کائبور شرحوں، اور مہنگائی کے دباؤ اہم تشویش کے عوامل رہے۔ مزید بر آں، حالیہ ٹیکس اقدامات تجارت (سپلائی چین) میں مزید مشکلات کا اضافہ کر رہے ہیں۔

سال کے دوران، کمپنی کے بورڈ آف ڈائریکٹرز نے کمپنی کے منظور شدہ کاروباری منصوبے کے مطابق کچھ فیصلے کیے ہیں، جو درج ذیل ہیں:

کمپنی نے کمپنی کے بنیادی کاروباری لائن کے مطابق تیل / گیسولین کی مصنوعات کی فروخت اور خریداری کے لیے لیز پر مندرجہ ذیل سائٹس / پٹرول پمپ حاصل کیے ہیں:

حسین پٹرولیم، ملتان

روشن پٹرولیم، شیخوپورہ

تمام مذکورہ سائٹس پر تیل کی مصنوعات کی خرید و فروخت شروع ہو چکی ہے اور کمپنی نے آمدنی پیدا کرنا شروع کر دی ہے۔ مینجمنٹ کو مستقبل میں کمپنی کے سرمایہ کاروں / شیئر ہولڈرز کے لیے بہتر ریٹرن کے حصول کا اعتماد ہے۔

ہم اپنے صارفین کا ان کے اعتماد پر شکریہ ادا کرنا چاہتے ہیں اور اپنے تمام ساتھیوں، مینجمنٹ اور عملے کا شکریہ ادا کرنا چاہتے ہیں جو اپنی ذمہ داریوں کے لیے پوری طرح پر عزم ہیں۔ آپ کی کمپنی کی کامیابی ان کی کوششوں پر مبنی ہے۔ ہم اپنے شیئر ہولڈرز کا بھی شکریہ ادا کرتے ہیں کہ انہوں نے کمپنی پر اعتماد کیا ہے اور انہیں یقین دلاتے ہیں کہ ہم کمپنی میں ان کی سرمایہ کاری کے بہترین صلے کو یقینی بنانے کے لیے اپنی پوری کوشش کریں گے۔

فرحان عباس شیخ

صدرِ مجلس / غیر ایگزیکٹو ڈائریکٹر

Directors' Report

The directors of your Company take pleasure in presenting the Annual Report together with your Company's Annual Audited Financial Statements for the year ended June 30, 2024.

Economic Review

During FY2024, Pakistan's economy registered moderate recovery reflected by a GDP growth of 2.38 percent against previous year's contraction of 0.21 percent. Agriculture emerged as a main driver of economic growth, registering a growth of 6.25 percent on the back of double- digit growth in output of major crops. Industrial and services sectors also showed resilience with each posting a growth of 1.21 percent. The current account deficit was kept under check, with marked improvement in foreign exchange reserves, reaching US$ 14.6 billion by end May 2024. The fiscal sector progressed towards stability, propelled by consolidation efforts and targeted reforms. Fiscal deficit remained manageable with an overall primary surplus. Rupee appreciated by almost 3.0 percent during the first eleven months.

SBP maintained the policy rate at 22% in seven consecutive monetary policy decisions during July-April FY2024. However, on June 10, 2024, the Monetary Policy Committee decided to reduce the policy rate by 150 bps to 20.5% effective from June 11, 2024. The KSE-100 index of Pakistan posted a significant growth from 41,453 (end June 2023) to 78,444 (end June 2024) owing to successful IMF's program under Stand-by Arrangement and stability on economic & political front.

Financial Performance

Company is repositioning itself into Oil trading Business. However, during Financial Year 2023-24 operations of the Company remained stagnant. The Board and the Management of your Company, is well aware of the posed challenges and are taking all possible measures, to re-design the required solutions. Moreover, your Company is continually reviewing its business strategy to seize the new opportunities and cope with the prevailing challenges/threats. It has prioritized to avoid concentration-risk, endeavoring to tap alternative revenue streams and is trying hard to add to shareholders' value.

Financial Highlights

	2024	2023-Restated	2022	2021	2020
Sale	206,376,426	100,468,799	52,051,548	-	2,571,125
Net Profit/ Loss	(32,421,102)	(13,054,457)	(94,531,215)	(2,409,709)	(6,808,777)
Earning/ Loss Per share	(1.30)	(0.54)	(9.45)	(0.24)	(0.68)
Shares Outstanding	25,000,000	25,000,000	10,000,000	10,000,000	10,000,000

Dividend

Due to the existing financial position of the Company, Board of Directors of the Company has decided not to declare dividend for this financial year.

Future Outlook

We are committed to harnessing our expertise to unlock value for our clients and stakeholders, driving sustainable growth in Pakistan's capital market.

Internal Financial Control

Your Company has maintained effective system of Internal Controls.

- The financial statements, prepared by the management of your company, fairly present its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of account have been maintained by your company.
- Appropriate accounting policies are consistently applied by your Company in the preparation of financial statements, and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in the preparation of these financial statements and any departure there from, if any, has been adequately disclosed.
- The system of Internal Control, being implemented in your Company is sound and has been effectively persisted throughout the year.

Compliance of Secretarial standards/Code of Corporate Governance

The Company has complied with all the applicable requirements, on this count.

Material Changes and commitments/Corporate Social Responsibilities & Environmental Management and Objectives relating to ESG Risk

There is no material change and the commitments, other than already disclosed, till date.

Anti-Harassment

The Company has a comprehensive mechanism towards anti-harassment to ensure that any type of workplace harassment is dealt with a zero-tolerance to ensure that all the employees of the company regardless of their gender and position avail the opportunity to work in a safe and respectful environment. Employees are encouraged to report such grievances to the HR department in a confidential to conduct fair investigations.

Gender Pay-Gap

The Company is committed that all employees of the company are treated with equality & fairness and there should be no gender pay gap within the Company. Accordingly, the compensation of employees is determined on the basis of experience, seniority, responsibilities and performance without any gender-based discrimination.

Meetings of the Board of Directors

As specified in the head of **Corporate of Governance**, the Board of Directors has met five times, the details whereof are provided in the head mentioned above.

In compliance with Regulation No. 34(2) of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the following information is provided: -

i. The total number of directors are seven (7) as per the following: -
   a) Male: 5
   b) Female: 2
ii. The composition of the Board is as follows: -

a)	Mr. Farhan Abbas Sheikh	Chairman
b)	Ms. Fatima Jamil	Chief Executive Officer/Executive Director
c)	Mr. Muneeb Ahmad Khan	Executive Director
d)	Mr. Abdul Ghaffar	Executive Director
e)	Mr. Dr. Saad Liaquat	Independent Director
f)	Mr. Muhammad Usman Shaukat	Independent Director
g)	Ms. Farkhanda Abbas	Non-Executive Director

Human Resources
The Company is committed to equal opportunity employment. It accepts the obligation as a member of the community-at large and as an employer to exercise an active and positive program of non- discrimination in all areas of employment. Employment decisions are made by providing equal opportunity and access on the basis of qualification and merits. Moreover, the company shall ensure that fair, consistent, effective and efficient recruitment and selection practices exist in hiring the most suitable candidates.

External Auditors
The Audit Committee of your company has recommended that, the present auditors, **Aamir Salman Rizwan Chartered Accountants** due to retire and are being re-appointed. Board of directors, on the recommendation of Audit Committee has proposed the appointment of M/s **Aamir Salman Rizwan, Chartered Accountants**, who are offering themselves for the appointment, may be appointed as auditors of your Company for another term.

Directors' Remuneration
At present the Chief Executive Officer is being paid the salary and such other benefits as approved by the Board under the Articles of Association and as per HR Policy of the Company. No other director is being paid any extra remuneration by the Company, except the meeting fee for attending the Board and its Committees meetings. The relevant figures have been disclosed in the financial statements.

Annual Evaluation of Board's Performance
As required under the listed companies Code of Corporate Governance Regulations, 2019, an annual evaluation of performance of the Board, members of the Board and its Committees was carried out to ensure that Board's overall performance and effectiveness is measured against the objectives set for the Company. Based on the evaluation, overall performance of the Board, members and Committees of the Board for the year under review is satisfactory.

Statutory and Advisory Committees of the Board
The Board has constituted the Statutory and Advisory Committees for the three-years term, as under:

1. **Board Audit Committee (BAC)**
   The Board Audit Committee includes the following persons;

1. Mr. Dr. Saad Liaquat	Chairman
2. Mr. Farhan Abbas Sheikh	Member
3. Mr. Abdul Ghaffar	Member
4. Ms. Hina Kashif	Secretary

2. **Human Resource and Remuneration Committee (HRRC)**
   The Human Resource and Remuneration (HRR) Committee includes the following

persons;

1. Dr. Saad Liaquat	Chairman
2. Mr. Farhan Abbas Sheikh	Member
3. Mr. Muneeb Ahmad Khan	Member
4. Mr. Inam Ullah	Secretary

Pattern of Shareholding and Notice of Annual General Meeting
The pattern of shareholding of your Company as on June 30, 2024 is annexed with this Report. Notice of Annual General Meeting along with Statement of Information/ Facts under Section 134(3) of The Companies Act, 2017 is attached with the report.

Free Float of Shares
The free float of shares of your Company as on June 30, 2024, is annexed with this report.

Financial Reporting
The Board Audit Committee reviewed, discussed, and recommended the draft Interim and Annual Results of the Company for Board approval. The Committee discussed with the CFO, HIA, and External Auditors of the Company on significant accounting policies, estimates, and judgments applied in preparing the financial information.

Acknowledgements
We wish to place on record gratitude to our valued customers for their confidence in our products and we pledge ourselves to provide them the best quality by continuously improving our products. We would also like to thank all our colleagues, management and factory staff who are strongly committed to their work as the success of your Company is built around their efforts. We also thank our shareholders for their confidence in the Company and assure them that we are committed to do our best to ensure best rewards for their investment in the Company.

Ms. Fatima Jamil
Chief Executive Officer

Dated: November 12, 2024

بورڈ آف ڈائریکٹرز کی رپورٹ

آپ کی کمپنی کے ڈائریکٹرز خوشی کے ساتھ سالانہ رپورٹ اور 30 جون، 2024 کو ختم ہونے والے سال کے لیے آپ کی کمپنی کے سالانہ آڈٹ شدہ مالی بیانات پیش کر رہے ہیں۔

اقتصادی جائزہ

2024ء کے مالی سال کے دوران، پاکستان کی معیشت نے اعتدال پسند بحالی کا رجحان دیکھا جس کی عکاسی 2.38 فیصد کی جی ڈی پی کی شرح نمو میں ہوئی، جو کہ گزشتہ سال کے 0.21 فیصد کے سکڑاؤ کے مقابلے میں ہے۔ زراعت اقتصادی نمو کا بڑا محرک بن کر سامنے آئی، جس نے اہم فصلوں کی پیداوار میں دوہندسوں کی نمو کی بدولت 6.25 فیصد کی نمو درج کی۔ صنعتی اور خدمات کے شعبوں نے بھی لچک کا مظاہرہ کیا، جس میں ہر ایک نے 1.21 فیصد کی نمو حاصل کی۔ کرنٹ اکاؤنٹ خسارہ قابو میں رہا، جس سے زرمبادلہ کے ذخائر میں نمایاں بہتری آئی اور مئی 2024 کے آخر تک 14.6 بلین امریکی ڈالر تک پہنچ گئے۔ مالیاتی شعبہ استحکام کی طرف بڑھا، جس کی وجہ سے کنسولڈیشن کی کوششیں اور ہدفمند اصلاحات تھیں۔ مالی خسارہ قابلِ انتظام رہا جس میں مجموعی طور پر بنیادی اضافہ ہوا۔ روپے کی قدر پہلے گیارہ مہینوں کے دوران تقریباً 3.0 فیصد تک بڑھی۔

اسٹیٹ بینک آف پاکستان نے جولائی-اپریل 2024 کے دوران سات مسلسل مالیاتی پالیسی کے فیصلوں میں پالیسی شرح کو 22٪ پر برقرار رکھا۔ تاہم، 10 جون، 2024 کو، مالیاتی پالیسی کمیٹی نے 11 جون، 2024 سے نافذ العمل ہونے والی پالیسی شرح کو 150 بنیادی پوائنٹس کم کر کے 20.5٪ کرنے کا فیصلہ کیا۔ پاکستان کا KSE-100 انڈیکس 41,453 (جون 2023 کے آخر) سے بڑھ کر 78,444 (جون 2024 کے آخر) تک نمایاں نمو کی وجہ سے بین الاقوامی مالیاتی فنڈ کے اسٹینڈ بائی انتظام کے تحت کامیاب پروگرام اور اقتصادی وسیاسی محاذ پر استحکام ہے۔

مالی کارکردگی

کمپنی خود کو تیل کی تجارت کے کاروبار میں دوبارہ تشکیل دے رہی ہے۔ تاہم، مالی سال 2023-24 کے دوران کمپنی کے آپریشنز رکے ہوئے رہے۔ آپ کی کمپنی کا بورڈ اور مینجمنٹ پیش آنے والی چیلنجز سے بخوبی واقف ہے اور ضروری حل کو دوبارہ ڈیزائن کرنے کے لیے ہر ممکن اقدامات کر رہا ہے۔ مزید برآں، آپ کی کمپنی مسلسل اپنی کاروباری حکمت عملی کا جائزہ لے رہی ہے تاکہ نئے مواقع کو غنیمت سمجھے اور موجودہ چیلنجز / خطرات کا مقابلہ کر سکے۔ اس نے توجہ مرکوز کرنے کے خطرے سے بچنے کو ترجیح دی ہے، متبادل آمدنی کے ذرائع کو ٹیپ کرنے کی کوشش کر رہی ہے اور شیئر ہولڈرز کی مالیت میں اضافہ کرنے کی سخت کوشش کر رہی ہے۔

مالی نمایاں نکات

سال	فروخت	نیٹ منافع / نقصان	فی شیئر آمدنی / نقصان	جاری شیئرز
2024	206,376,426	(32,421,102)	(1.30)	25,000,000

25,000,000	(0.54)	(13,054,457)	100,468,799	-2023 Restated
10,000,000	(9.45)	(94,531,215)	52,051,548	2022
10,000,000	(0.24)	(2,409,709)	-	2021
10,000,000	(0.68)	(6,808,777)	2,571,125	2020

ڈیویڈنڈ

کمپنی کی موجودہ مالی صورتحال کی وجہ سے، کمپنی کے بورڈ آف ڈائریکٹرز نے اس مالی سال کے لیے کوئی ڈیویڈنڈ اعلان نہ کرنے کا فیصلہ کیا ہے۔

مستقبل کا نظارہ

ہم اپنے مؤکلین اور اسٹیک ہولڈرز کے لیے مالیت کو غیر مقفل کرنے کے لیے اپنی مہارت کو استعمال کرنے کے لیے پرعزم ہیں، جو پاکستان کے سرمایہ دارانہ مارکیٹ میں مستدام نمو کو فروغ دیتا ہے۔

داخلی مالی کنٹرول

آپ کی کمپنی نے اندرونی کنٹرول کا موثر نظام برقرار رکھا ہے۔

- آپ کی کمپنی کے مینجمنٹ کی تیار کردہ مالی بیانات اس کی مالی حالت، آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔
- آپ کی کمپنی نے مناسب اکاؤنٹ کی کتابیں برقرار رکھی ہیں۔
- مناسب اکاؤنٹنگ پالیسیاں آپ کی کمپنی کی طرف سے مالی بیانات تیار کرنے میں مستقل طور پر لاگو کی جاتی ہیں اور اکاؤنٹنگ اندازے معقول اور محتاط فیصلے پر مبنی ہوتے ہیں۔
- پاکستان میں لاگو ہونے والے بین الاقوامی اکاؤنٹنگ معیارات ان مالی بیانات کی تیاری میں مدنظر رکھے گئے ہیں اور ان سے کسی بھی انحراف کو، اگر کوئی ہو، تو اسے مناسب طریقے سے ظاہر کیا گیا ہے۔
- آپ کی کمپنی میں نافذ کی جانے والی اندرونی کنٹرول کا نظام مستحکم ہے اور پورے سال کے دوران اسے مؤثر طریقے سے برقرار رکھا گیا ہے۔

سیکٹریل معیارات / کارپورٹ گورننس کوڈ کی تعمیل

کمپنی نے تمام قابل اطلاق ضروریات کی تعمیل کی ہے۔

مادی تبدیلیاں اور وعدے /کارپوریٹ سماجی ذمہ داریاں اور ماحولیاتی انتظام اور ای ایس جی خطرے سے متعلق اہداف

اب تک کوئی مادی تبدیلی اور وعدے نہیں ہیں، جو پہلے سے ظاہر کیے گئے ہیں۔

ہراسانی کے خلاف

کمپنی کے پاس ہراسانی کے خلاف جامع طریقہ کار ہے تاکہ یہ یقینی بنایا جاسکے کہ کام کی جگہ پر کسی بھی قسم کے ہراسانی سے صفر رواداری کے ساتھ نمٹا جاتا ہے تاکہ کمپنی کے تمام ملازمین، صنف اور عہدے کے بغیر، ایک محفوظ اور احترام والے ماحول میں کام کرنے کا موقع حاصل کر سکیں۔ ملازمین کو ایسی شکایات کو اعتماد کے ساتھ ایچ آر ڈیپارٹمنٹ کو رپورٹ کرنے کے لیے حوصلہ افزائی کی جاتی ہے تاکہ منصفانہ تحقیقات کی جا سکے۔

جینڈر پے گیپ

کمپنی اس بات کے لیے پرعزم ہے کہ کمپنی کے تمام ملازمین کے ساتھ مساوات اور انصاف کے ساتھ سلوک کیا جائے اور کمپنی کے اندر کوئی جینڈر پے گیپ نہ ہو۔ اس کے مطابق، ملازمین کی تاداد تجربے، سینئرٹی، ذمہ داریوں اور کارکردگی کی بنیاد پر کی جاتی ہے، بغیر کسی صنفی امتیاز کے۔

بورڈ آف ڈائریکٹرز کی میٹنگز

جیسا کہ کارپوریٹ گورننس کے سربراہ میں بیان کیا گیا ہے، بورڈ آف ڈائریکٹرز نے پانچ بار میٹنگ کی ہے، جس کا تفصیل اوپر بیان کردہ سربراہ میں فراہم کیا گیا ہے۔

لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے ریگولیشن نمبر 34(2) کی تعمیل میں، درج ذیل معلومات فراہم کی جاتی ہے:-

i. ڈائریکٹرز کی کل تعداد سات (7) ہے، جیسا کہ درج ذیل ہے:-a) مرد: 5 b) خواتین: 2 ii. بورڈ کی تشکیل درج ذیل ہے:-a) جناب فرحان عباس شیخ چیئرمین b) مس فاطمہ جمیل چیف ایگزیکٹو آفیسر / ایگزیکٹو ڈائریکٹر c) جناب مبین احمد خان ایگزیکٹو ڈائریکٹر d) جناب عبد الغفار ایگزیکٹو ڈائریکٹر e) جناب ڈاکٹر سعد لیاقت آزاد ڈائریکٹر f) جناب محمد عثمان شوکت آزاد ڈائریکٹر g) مس فرخندہ عباس غیر ایگزیکٹو ڈائریکٹر

انسانی وسائل

کمپنی مساوی مواقع کی روزگار کی پابند ہے۔ یہ برادری کے ایک رکن کے طور پر اور ایک ملازم کے طور پر ملازمت کے تمام شعبوں میں غیر امتیاز کے فعال اور مثبت پروگرام کو نافذ کرنے کا فرض قبول کرتا ہے۔ ملازمت کے فیصلے قابلیت اور قابلیت کی بنیاد پر برابر مواقع اور رسائی فراہم کر کے کیے جاتے ہیں۔ مزید برآں، کمپنی یہ یقینی بنائے گی کہ سب سے موزوں امیدواروں کی بھرتی میں منصفانہ، مستقل، مؤثر اور موثر بھرتی اور انتخاب کے طریقے موجود ہیں۔

خارجی آڈیٹرز

آپ کی کمپنی کی آڈٹ کمیٹی نے سفارش کی ہے کہ موجودہ آڈیٹرز، عامر سلمان رضوان چارٹرڈ اکاؤنٹنٹس ریٹائر ہونے والے ہیں اور ان کی دوبارہ تقرری کی جا رہی ہے۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر ایم / ایس عامر سلمان رضوان، چارٹرڈ اکاؤنٹنٹس کی تقرری کا تجویز کیا ہے، جو خود کو تقرری کے لیے پیش کر رہے ہیں، کو آپ کی کمپنی کے آڈیٹرز کے طور پر ایک اور مدت کے لیے مقرر کیا جا سکتا ہے۔

ڈائریکٹرز کی اجرت

فی الحال چیف ایگزیکٹو آفیسر کو تنخواہ اور دیگر فوائد ادا کیے جا رہے ہیں جیسا کہ بورڈ آف ایسوسی ایشن کے تحت بورڈ کی منظوری کے مطابق اور کمپنی کی ایچ آر پالیسی کے مطابق ہے۔ کمپنی کی طرف سے کسی اور ڈائریکٹر کو کوئی اضافی معاوضہ ادا نہیں کیا جا رہا ہے، سوائے بورڈ اور اس کی کمیٹیوں کی میٹنگز میں شرکت کے لیے میٹنگ فیس کے۔ متعلقہ اعداد و شمار مالی بیانات میں ظاہر کیے گئے ہیں۔

بورڈ کی کارکردگی کا سالانہ جائزہ

جیسا کہ لسٹڈ کمپنیز کوڈ آف کارپوریٹ گورننس ریگولیشنز، 2019 کے تحت مطلوب ہے، بورڈ، بورڈ کے ارکان اور اس کی کمیٹیوں کی کارکردگی کا سالانہ جائزہ لیا گیا تاکہ یہ یقینی بنایا جا سکے کہ بورڈ کی مجموعی کارکردگی اور تاثیر کا اندازہ کمپنی کے لیے مقرر کردہ اہداف کے مقابلے میں کیا جاتا ہے۔ جائزے کی بنیاد پر، بورڈ، ارکان اور بورڈ کی کمیٹیوں کی مجموعی کارکردگی جائزہ کے تحت سال کے لیے مطمئن ہے۔

بورڈ کی قانونی اور مشورتی کمیٹیاں

بورڈ نے تین سالہ مدت کے لیے قانونی اور مشورتی کمیٹیاں تشکیل دی ہیں، جیسا کہ درج ذیل ہے:

1. بورڈ آڈٹ کمیٹی (بی اے سی) بورڈ آڈٹ کمیٹی میں درج ذیل افراد شامل ہیں:

    1. جناب ڈاکٹر سعد لیاقت چیئرمین
    2. جناب فرحان عباس شیخ رکن
    3. جناب عبد الغفار رکن
    4. مس ہبنہ کاشف سیکرٹری

2. انسانی وسائل اور اجرت کمیٹی (ایچ آر آر سی) انسانی وسائل اور اجرت (ایچ آر آر) کمیٹی میں درج ذیل افراد شامل ہیں:

    1. ڈاکٹر سعد لیاقت چیئرمین

2. جناب فرحان عباس شیخ رکن

3. جناب مبین احمد خان رکن

4. جناب انعام اللہ سیکرٹری

شیئر ہولڈنگ کا نمونہ اور سالانہ جنرل میٹنگ کا نوٹس

30 جون، 2024 تک آپ کی کمپنی کے شیئر ہولڈنگ کا نمونہ اس رپورٹ کے ساتھ منسلک ہے۔ کمپنیز ایکٹ، 2017 کی سیکشن 134(3) کے تحت معلومات / حقائق کے بیان کے ساتھ سالانہ جنرل میٹنگ کا نوٹس رپورٹ کے ساتھ منسلک ہے۔

شیئرز کا فری فلوٹ

30 جون، 2024 تک آپ کی کمپنی کے شیئرز کا فری فلوٹ اس رپورٹ کے ساتھ منسلک ہے۔

مالی رپورٹنگ

بورڈ آڈٹ کمیٹی نے کمپنی کے ڈرافٹ انٹرم اور سالانہ نتائج کا جائزہ لیا، بحث کی اور بورڈ کی منظوری کے لیے سفارش کی۔ کمیٹی نے سی ایف او، ایچ آئی اے اور کمپنی کے بیرونی آڈیٹرز کے ساتھ مالی معلومات تیار کرنے میں لاگو ہونے والی اہم اکاؤنٹنگ پالیسیوں، اندازوں اور فیصلوں پر بحث کی۔

شکریہ

ہم اپنے قیمتی صارفین کا ان کے اعتماد کے لیے شکریہ ادا کرنا چاہتے ہیں اور ہم انہیں مسلسل بہتر بنانے کے ذریعے بہترین معیار فراہم کرنے کا عہد کرتے ہیں۔ ہم اپنے تمام ساتھیوں، مینجمنٹ اور فیکٹری کے عملے کا بھی شکریہ ادا کرنا چاہتے ہیں جو اپنی ذمہ داریوں کے لیے پوری طرح پر عزم ہیں۔ آپ کی کمپنی کی کامیابی ان کی کوششوں پر مبنی ہے۔ ہم اپنے شیئر ہولڈرز کا بھی شکریہ ادا کرتے ہیں کہ انہوں نے کمپنی پر اعتماد کیا ہے اور انہیں یقین دلاتے ہیں کہ ہم کمپنی میں ان کی سرمایہ کاری کے بہترین صلے کو یقینی بنانے کے لیے اپنی پوری کوشش کریں گے۔

محترمہ فاطمہ جمیل

چیف ایگزیکٹو آفیسر تاریخ: 12 نومبر، 2024

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting (AGM) of the Members of Oilboy Energy Limited **("the Company")** will be held on Saturday**, December 7th, 2024, at 10:00 AM.**, at the Registered Office of the Company at 5-A/1, Off: M.M. Alam Road, Gulberg III, Lahore, and virtually through a video-link facility to transact the following business: -

ORDINARY BUSINESS:

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

2. To receive, consider and adopt the Audited Financial Statements, together with the Directors' Report, the Auditors' Report, thereon for the financial year ended June 30th, 2024.
[As required under Section 223 of the Companies Act 2017 and in terms of S.R.O No. 389(I)/2023 dated March 21, 2023, the Annual Report including Financial Statements of the Company has been transmitted to the Shareholders and uploaded on the website of the Company which can be viewed using the web-link and QR enable code provided with this notice.]

https://obel.com.pk/wp-content/uploads/2024/05/Financial-statements-for-the-year-ended-June-30-2024.pdf	

3. To appoint the Auditors of the Company for the financial year ending June 30th, 2025 and to fix their remuneration.

4. To elect seven (07) directors as fixed by the board under the provisions of the Companies Act, 2017 for a period of three years commencing from December 07, 2024.

The names of retiring directors are as under:

1. Mr. Farhan Abbas Sheikh	2. Ms. Fatima Jamil
3. Mr. Abdul Ghaffar	4. Mr. Muneeb Ahmad Khan
5. Ms. Farkhanda Abbas	6. Dr. Saad Liaquat
7. Mr. Muhammad Usman Shoukat	

By Order of the Board of Directors:

SD

Inam Ullah
Company Secretary
Lahore: November 14, 2024.

Notes:

1. **CLOSURE OF SHARE TRANSFER BOOKS**
   The Register of Members and the Share Transfer Books will be closed from November 29, 2024, to December 7, 2024 (both days inclusive). Transfers received in order at the office of the Company's Registrar namely, Digital Custodian Company Limited, B-1, LSE Plaza, Kashmir Egerton Road, Lahore, by the close of business on November 28, 2024, will be considered in time for the purpose of determining the [entitlement for final cash dividend and to establish] the right to attend and vote at the Annual General Meeting.

2. **ELECTION OF DIRECTORS**
   In terms of Section 159(1) of the Companies Act, 2017 ("Act") the Board of Directors has fixed the number of elected Directors at 7 (Seven) to be elected in the Annual General Meeting of the Company for the period of next three years. Out of these, 5 (Five) directors shall be elected from the shareholders category, while 2 (Two) directors shall be appointed as independent directors.
   Any person who seeks to contest the election to the office of a Director, whether he/she is retiring director or otherwise, shall file the following documents with the Company Secretary, at its Registered Office, 5A/1, Off. M.M. Alam Road, Gulberg III, Lahore, not later than fourteen (14) days before the date of the meeting, i.e by November 23, 2024:
   a) Notice of his / her intention to offer him / herself for the election to the Office of Director in terms of section 159(3) of the Companies Act, 2017 (the Act);
   b) Consent to act as director of the Company along with consent on Appendix to Form 9 prescribed under the Act.
   c) A detailed profile along with office address as required under SECP' SRO 634(1)2014 dated July 10, 2014.
   d) Declaration under Clause 3 of the Listed Companies (Code of Corporate Governance) Regulations 2019.
   e) Declaration that he/she is not ineligible to become a director of a listed company under any provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and any other applicable law, rules and regulations.
   f) Declaration that he/she is aware of his/her duties and powers under the relevant laws, Memorandum & Articles of Association of the Company and listing regulations of the Pakistan Stock Exchange.

   A candidate consenting for the election as a shareholder director must be a member of the Company at the time of filing of his/her consent except a person representing a member, which is not a natural person.

   Pursuant to Companies (Postal Ballot) Regulation 2018, for the purpose of election of Directors and for any other agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017 members will be allowed to exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.

3. **ATTENDING AGM AND APPOINTMENT OF PROXY**
   A Member entitled to attend, speak and vote at the AGM is entitled to appoint another member as his/her proxy to attend, speak and vote on his/her behalf. An instrument appointing proxy must be deposited at the registered office of the Company, at least 48

hours before the time of the meeting. Form of Proxy is attached. CDC Account Holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan.

4. **PARTICIPATION IN THE AGM VIA THE VIDEO CONFERENCING FACILITY:**
   Shareholders interested in attending the meeting through video conferencing are requested to email the following information with the subject "Registration for AGM 2024" along with a valid copy of both sides of their Computerized National Identity Card (CNIC) to info@obel.com.pk.Video link and login credentials will be shared with only those members whose emails, containing all the required particulars, are received at least 48 hours before the time of AGM.

1. Folio No. / CDC Investors A/c No./ Sub-A/c No.: ____________________________________
2. Name of Shareholder: ____
3. Cell Phone Number: ____
4. Email Address: ____
5. No. of Shares held: ____

5. **ELECTRONIC VOTING**
   The members are hereby notified that pursuant to Section 143-145 of the Companies Act, 2017 and Companies (Postal Ballot) Regulations, 2018. Members will be allowed to exercise their right to vote through the electronic voting facility or voting by post for the **special business** in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations. For the convenience of the Members, the ballot paper is annexed to this notice and the same is also available on the Company's website at www.obel.com.pk for download.

   - **Procedure for E–Voting:**
     (a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company on the book closure date.
     (b) The web address, and login details, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal M/s. Digital Custodian Company Limited (being the e-voting service provider).
     (c) Identity of the Members intending to cast a vote through e-Voting shall be authenticated through electronic signature or authentication for login.
     (d) E-Voting lines will start on December 4, 2024, at 9:00 a.m. and shall close on December 6, 2024, at 5:00 p.m. Members can cast their votes at any time during this period. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently.

   - **Procedure for Voting Through Postal Ballot:**
     (a) The members shall ensure that duly filled and signed ballot paper along with a copy of the Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address, 5-A/1, Off: M.M. Alam Road, Gulberg III, Lahore or email at info@obel.com.pk, one (1) day before the Annual General Meeting. The signature on the ballot paper shall match the signature on CNIC.

Oilboy Energy Limited

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019.

Name of Company: Oilboy Energy Limited
Year Ending: June 30, 2024
The company has complied with the requirements of the Regulations in the following manner:-

1. The total number of directors are seven as per the following:

   a) Male: 5
   b) Female: 2

2. The composition of board is as follows:

<table>
<tr><th colspan="2">Category</th><th>Names</th></tr>
<tr><td colspan="2">Independent Director(s)*</td><td>i. Mr. Muhammad Usman Shoukat
ii. Mr. Saad Liaquat</td></tr>
<tr><td rowspan="2">Non-Executive Director(s)</td><td>Female</td><td>i. Ms. Farkhanda Abbas</td></tr>
<tr><td>Male</td><td>i. Mr. Farhan Abbas Sheikh</td></tr>
<tr><td colspan="2">Executive Director(s)*</td><td>i. Ms. Fatima Jamil Sheikh
ii. Mr. Muneeb Ahmed Khan
iii. Mr. Abdul Ghaffar</td></tr>
</table>

* Determination of number of independent directors under Regulation 6 arrives at 2.33 (rounded to 2) which is based on seven elected directors. The fraction is not rounded up since the two (2) elected independent directors possess requisite competencies, skills, knowledge and experience to hold the office as such and discharge and execute their responsibilities as per applicable laws and regulations.

*Determination of number of executive directors under Regulation 8(1) of the Regulations arrives at 2.33 (rounded up to 3) which is based on seven elected directors. The fraction is rounded up because the company' financial performance has been below expectations. Recognizing the importance of robust leadership to navigate through this critical stage, the company strategically expanded the executive team to ensure company's long-term growth and stability.

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

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

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

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

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

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

9. As stated in para 19 below, no director of the company has obtained the Directors Training Program Certification or exemption based on prescribed qualification and experience pursuant to Regulation 19 of the Regulations.

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment, and complied with relevant requirements of the Regulations;

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

12. The board has formed committees comprising of members given below:-

a) Audit Committee

1.	Mr. Saad Liaquat (Independent Director)	Chairman/Member
2.	Mr. Farhan Abbas Sheikh (Non-Executive Director)	Member
3.	Mr. Abdul Ghaffar (Non-Executive Director)	Member
4.	Mr. Inam Ullah	Secretary

b) HR and Remuneration Committee

1.	Mr. Saad Laiquat (Independent Director)	Chairman
2.	Mr. Farhan Abbas Sheikh (Non-Executive Director)	Member
3.	Mr. Muneeb Ahmed Khan (Executive Director)	Member
4.	Mr. Inam Ullah	Secretary

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

14. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:-

a) Audit Committee 04 meetings
b) HR & Remuneration Committee 01 Meeting

15. The Board has outsourced its internal audit function to an independent firm of chartered accountants who are considered suitably qualified and experienced for the purpose and conversant with the policies and procedures of the company.

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

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

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

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:-

Sr. No.	Requirement	Reg. No.	Explanation
1	It is encouraged that by 30 June 2022, all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it	19(1)	During the year no training program was arranged by the Company due to the financial position of the Company. However, compliance shall be made in the next year.
2	The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29(1)	Since there is no Nomination Committee in place (required under non-mandatory provisions of Regulations 29), their respective terms of reference, as enumerated in

Sr. No.	Requirement	Reg. No.	Explanation
			the Regulations, have been incorporated in the terms of reference of Human Resource and Remuneration Committee and Audit Committee respectively.
3	The Board may constitute the risk management committee, of such a number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	30(1)	Since there are no Risk Management Committee in place (required under non-mandatory provisions of Regulations 30), their respective terms of reference, as enumerated in the Regulations, have been incorporated in the terms of reference of Human Resource and Remuneration Committee and Audit Committee respectively.
4	The Company may post the following on its website: (1) Key elements of its significant policies including but not limited to the following: i. Communication and disclosure policy: ii. Code of conduct for the members of Board of directors, senior management, and other employees. iii. Risk management policy. iv. Internal control policy. v. Whistle blowing policy. vi. Corporate social responsibility / sustainability / environmental, social and governance related policy. (2) Brief synopsis of terms of the Board's committee including: i. Audit committee ii. HR and Remuneration committee iii. Nomination committee iv. Risk management committee	35	The Company will place significant policies on its website in due course of time.

Sr. No.	Requirement	Reg. No.	Explanation
	Key elements of the director's remuneration policy		

LAHORE:
November 12, 2024,

FARHAN ABBAS SHIEKH
Chairman

FATIMA JAMIL SHIEKH
Chief Executive

REANDA

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Oilboy Energy Limited

Review Report on the Statement of Compliance Contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

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

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

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

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

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

Further, we highlight below instances of non-compliance with requirements of the Regulations as reflected in the paragraphs referred below where these are stated in the Statement of Compliance:

	Paragraph Reference	Description
i)	9 19	The Company is in non-compliance with certain requirements, other than regulation 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations and explanations is given.

Reanda Haroon Zakaria Aamir Salman Rizwan & Co.
Chartered Accountants
Place: Lahore
Dated: November 12, 2024
UDIN: CR202410384tNeGC47RX

REANDA

INDEPENDENT AUDITOR'S REPORT

To the members of Oilboy Energy Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Material Uncertainty relating to Going Concern

We draw attention to note 1.2 to the financial statements, which states that the Company has incurred an after tax loss of Rs. 32.421 million during the year ended June 30, 2024 and, as of that date, its accumulated loss stood at Rs. 187.070 million. As stated in note 1.2, these events or conditions, along with other matters as set forth indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

RHZASR

REANDA

Following is the Key audit matter:

Sr.#	Key audit matter	How the matter was addressed in our audit
(i)	**Recognition of revenue** (Refer to note 3.13 and 24 to the annexed financial statements) Revenue from sale of petroleum products for the year ended 30 June 2024 has increased approximately by 1639% while revenue from sale of coal has decreased by 100% as compared to last year. Further, recognition of revenue includes a large number of transactions made at point of sale involving a large number of customers. We considered revenue recognition as a key audit matter due to significant variations in revenue from last year, large number of revenue transactions with a large number of customers, inherent risk of material misstatement and revenue was also considered as an area of significant audit risk as part of the audit process.	Our audit procedures to assess the recognition of revenue, amongst others, included the following: • understanding and evaluating the accounting policy with respect to revenue recognition; • obtaining an understanding of the Company's process with respect to revenue recognition and tested the design of the controls implemented by the management; • performing testing of revenue transactions on sample basis with underlying documentation; • performing testing of revenue transactions on a sample basis to ensure that the related revenues are recorded appropriately at the correct quantity and price; • performing analytical procedures to analyze variations in the product portfolio, price and quantity sold; • performing cut-off procedures to ensure that the revenue was recognized in the correct accounting period; • testing journal entries related to revenue recognized during the year based on identified risk criteria; and • evaluating the adequacy of disclosures in financial statements.

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

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

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

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

AA2089

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

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

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

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

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

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

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

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

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

RH2089

REANDA

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Ahmad Salman Arshad.

Reanda Haroon Zakaria for Salman Syed S.S.
Chartered Accountants
Place: Lahore
Date: November 12, 2024
UDIN: AR202410384NjI01miG3

OILBOY ENERGY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees Restated	2022 Rupees
Assets				
Non-current assets				
Property and equipment	5	**12,312,155**	1,603,000	20,917
Intangibles	6	**2,040,347**	1,355,239	-
Right-of-use assets	7	**37,904,563**	40,470,957	-
Long term security deposits	8	**614,314**	374,572	-
Deferred cost	9	**4,743,174**	4,021,125	-
Deferred taxation	10	**34,308,197**	35,266,001	32,010,647
Total non-current assets		**91,922,750**	83,090,894	32,031,564
Current assets				
Short-term investments	11	**1,337**	920	2,560
Stock in trade	12	**10,618,682**	2,676,798	-
Trade and other receivables	13	**-**	21,986,278	4,381,025
Unclaimed dividend		**11,041**	11,041	11,041
Advances and prepayments	14	**6,133,003**	59,999,115	18,398,268
Tax refunds due from the government	15	**-**	-	484,409
Current portion of deferred cost	9	**142,512**	104,303	-
Cash and bank balances	16	**12,653,135**	3,143,255	770,737
Total current assets		**29,559,710**	87,921,710	24,048,040
Total assets		**121,482,460**	171,012,604	56,079,604
Equity and liabilities				
Share capital and reserves				
Share capital				
Issued, subscribed and paid up capital	17	**250,000,000**	250,000,000	100,000,000
Revenue reserve				
Accumulated loss		**(187,069,740)**	(154,648,638)	(134,880,954)
Total equity		**62,930,260**	95,351,362	(34,880,954)
Non-current liabilities				
Lease liabilities	18	**45,040,944**	42,078,658	-
Total non-current liabilities		**45,040,944**	42,078,658	-
Current liabilities				
Trade and other payables	19	**10,659,050**	32,951,353	9,341,656
Due to related parties	20	**2,220,975**	-	80,071,171
Unclaimed dividend	21	**631,231**	631,231	647,731
Short term borrowings		**-**	-	900,000
Provision for taxation	22	**-**	-	-
Total current liabilities		**13,511,256**	33,582,584	90,960,558
Total liabilities		**58,552,200**	75,661,242	90,960,558
Contingencies and Commitments	23			
Total equity and liabilities		**121,482,460**	171,012,604	56,079,604

The annexed notes 1 to 48 form an integral part of these financial statements.

RH2AS9

Chief Executive **Director** **Chief Financial Officer**

OILBOY ENERGY LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees Restated
Revenue	24	**206,376,426**	100,468,799
Cost of revenue	25	**(211,163,489)**	(98,137,544)
Gross (loss)/ profit		**(4,787,063)**	2,331,255
Administrative expenses	26	**(20,062,807)**	(13,314,882)
Other operating expenses	27	**(15,173)**	(420,452)
Operating loss		**(24,865,043)**	(11,404,079)
Other income	28	**4,221,202**	216,723
Other expenses	29	**(292,571)**	(1,435,529)
Finance cost	30	**(9,768,216)**	(2,214,230)
Loss before income tax and levies		**(30,704,628)**	(14,837,115)
Levies	31	**(758,670)**	(1,472,696)
Loss before income tax		**(31,463,298)**	(16,309,811)
Taxation	32	**(957,804)**	3,255,354
Loss for the year		**(32,421,102)**	(13,054,457)
Loss per share - basic and diluted	35	**(1.30)**	(0.54)

The annexed notes 1 to 48 form an integral part of these financial statements.

RH2089

Chief Executive **Director** **Chief Financial Officer**

OILBOY ENERGY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees Restated
Loss for the year		**(32,421,102)**	(13,054,457)
Other comprehensive income:			
Items that may be subsequently reclassified in profit or loss		-	-
Items that will not be subsequently reclassified in profit or loss		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		**(32,421,102)**	(13,054,457)

The annexed notes 1 to 48 form an integral part of these financial statements.

RHZBSG

Chief Executive **Director** **Chief Financial Officer**

OILBOY ENERGY LIMITED

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

	Share capital	Revenue reserve	Total
	Issued, subscribed and paid-up	Accumulated loss	
	Rupees		
Balance as at July 1, 2022	100,000,000	(134,880,954)	(34,880,954)
Transaction with owners			
Issue of right shares	150,000,000	-	150,000,000
Total transaction with owners	150,000,000	-	150,000,000
Issue cost of right shares		(6,713,227)	(6,713,227)
Total comprehensive loss for the year			
Loss for the year - restated	-	(13,054,457)	(13,054,457)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(13,054,457)	(13,054,457)
Balance as at June 30, 2023 - restated	250,000,000	(154,648,638)	95,351,362
Balance as at July 1, 2023	**250,000,000**	**(154,648,638)**	**95,351,362**
Total comprehensive loss for the year			
Loss for the year	**-**	**(32,421,102)**	**(32,421,102)**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive loss for the year	**-**	**(32,421,102)**	**(32,421,102)**
Balance as at June 30, 2024	**250,000,000**	**(187,069,740)**	**62,930,260**

The annexed notes 1 to 48 form an integral part of these financial statements.

RH2BEG

Chief Executive | **Director** | **Chief Financial Officer**

OILBOY ENERGY LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees Restated
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash generated from/(used in) operating activities	34	24,826,962	(51,693,038)
CASH FLOWS FROM INVESTING ACTIVITIES			
Advances paid against capital assets	5.8	-	(1,603,000)
Payment for acquisition of property and equipment	5.1	(10,817,510)	-
Payment for acquisition of intangible asset	6.1	(1,000,000)	(1,372,537)
Net cash used in investing activities	B	(11,817,510)	(2,975,537)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(16,500)
Proceeds from issuance of right shares against cash		-	66,220,820
Interest payments related to lease liabilities	18.1	(3,499,572)	(1,550,000)
Share issuance cost		-	(6,713,227)
Decrease in short term borrowings		-	(900,000)
Net cash (used in)/generated from financing activities	C	(3,499,572)	57,041,093
Net increase in cash and cash equivalents (A+B+C)		9,509,880	2,372,518
Cash and cash equivalents at the beginning of the year		3,143,255	770,737
Cash and cash equivalents at the end of the year		12,653,135	3,143,255
CASH AND CASH EQUIVALENTS COMPRISES OF:			
Cash and bank balances	16	12,653,135	3,143,255
		12,653,135	3,143,255

The annexed notes 1 to 48 form an integral part of these financial statements.

RH2089

Chief Executive | Director | Chief Financial Officer

OILBOY ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 THE COMPANY AND ITS OPERATIONS

1.1 Legal status and operations

- Oilboy Energy Limited (Formerly: Drekkar Kingsway Limited) (the Company) was registered on June 28, 1993 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) as a private limited Company in Pakistan and subsequently converted into public limited Company as on June 29, 1994. The shares of the Company are quoted on Pakistan Stock Exchange Limited (PSX). The primary business of the Company was manufacturing of all types of electrical appliances, cosmetics, toiletries, leather goods, machinery, components and parts. The Company changed its principle line of business from engineering to consultancy services in accordance with special resolution passed by members on May 02, 2019 . Later, the Company further changed its principal line of business to trading of fuel and energy supplies business in accordance with special resolution passed by the members on October 22, 2021. The registered office of the Company is situated at 5-A/1, Gulberg III, off M.M. Alam road, Lahore.
- **Geographical location and addresses of all business units and offices are as follows:**

Geographical Location/Address	Business Unit
5-A/1, Gulberg III, Off M.M. Alam Road, Lahore	Registered office / Head office
Head Muhammad Wala Road near Faiz-e-Aam Chowk, Multan	Multan petrol filling station
42 Km LHR-SKP-SGD Road, Sheikhupura	Sheikhupura petrol filling station

1.2 The Company has incurred a loss for the year ended June 30, 2024 amounting Rs. 32.421 million (June 30, 2023: Rs. 13.054 million) and as of that date its accumulated loss of the Company at the reporting date stood at Rs. 187.07 million (June 30, 2023: Rs. 154.649 million). These conditions indicate the existence of material uncertainty regarding the future operations of the Company which may cast significant doubt about the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

- The new management of the Company, led by Modaraba Al Mali (a PSX listed Islamic Fund focusing on the corporate restructuring and revival activities) got a special resolution passed from the shareholders on October 22, 2021 for the revival of the Company through a new business plan. Thereafter, the Company submitted this revival business plan to the SECP and Islamabad High Court (IHC), where the SECP had lodged a petition for the winding up of the Company. After having convinced itself about the merit of revival, the SECP decided to withdraw its case from the honourable IHC, which accordingly disposed of the matter on December 08, 2021 in favour of the Company.
- During the previous year, the Company had entered into a dealership contract with M/s. Hi-Tech Lubricants Limited and started sale of petroleum products. Company's filling stations at Multan and Sheikhupura have became fully operative during the year resulting in significant increase in revenue.
- During the previous year, the Company raised Rs. 150 million through issuance of right shares in cash and conversion of related party loans. (see note 16.2.1).

Continuation of the Company as a going concern is dependent on its ability to attain satisfactory levels of profitability in the future and availability of working capital through continuous support of sponsors. In the event that some combination of the above events fails to occur as expected, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

These financial statements have been prepared on going concern basis on the grounds that the Company will be able to achieve satisfactory levels of profitability in the future based on the plans drawn up by the management for this purpose and availability of the adequate working capital from its sponsors.

The financial statements consequently do not include any adjustment relating to the realization of the assets and liquidation of its liabilities that might be necessary would the Company be unable to continue as a going concern.

RH2 A89

2 BASIS OF PREPARATION

2.1 Statement of compliance

- These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
  - International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under Companies Act, 2017 and;
  - Provisions of and directives issued under the Companies Act, 2017.
- Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

- These financial statements have been prepared under the historical cost convention using accrual basis of accounting except for cashflow information and otherwise specified in respective notes to the financial statements.

2.3 Functional and presentation currency

- Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pakistani Rupees which is also the functional currency of the Company. All financial information presented in Pakistani Rupees has been rounded to nearest rupee, unless otherwise stated.

2.4 Critical accounting estimates, assumptions and judgments

- The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Subsequently, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.
- Judgments made by management in the application of accounting and reporting standards that have significant effect on the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

2.4.1 Estimated useful lives, residual values and method of depreciation/amortization of items of property and equipment/intangible asset (see note 3.1)

- The management of the Company reviews the appropriateness of useful lives, depreciation/amortization method, and rates for each item of property and equipment/intangible on regular basis by considering expected pattern of economic benefits that the Company expects to derive from those items. Further, where applicable, an estimate of the recoverable amount of assets is made for possible impairment on an annual basis. In making these estimates, the Company uses the technical resources available with the Company. Any change in the estimates in future years might affect the carrying amounts of the respective items of property and equipment/intangible assets with a corresponding effect on the depreciation/amortization charge and impairment.

RH2AG

2.4.2 Taxation (see note 3.7)

- Significant judgment is required in determining the provision for income taxes and deferred tax asset and liability. There are few transactions and calculations for which ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due taking into account decisions/judgement of appellate authorities on similar tax issues in the past. Instance where the management of the Company's view differs from the view taken by the taxation authorities at the assessment stage and where the management considers that its view on items of material nature is in accordance with law, the amounts are shown as contingency. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made. The recognition of deferred tax is also made taking into these judgements and the best estimate of future results of the Company.

2.4.3 Impairment

2.4.3.1 Impairment of financial assets

(a) Significant increase in credit risk (see note 39.1.1).

- As explained in note 39.1.1, expected credit losses ['ECL'] are measured, based on the Company's risk grading framework, as an allowance equal to 12-month/lifetime ECL for 'performing' assets, or lifetime ECL for assets categorized as 'doubtful' or 'in default'. An asset is categorized as 'doubtful' when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

(b) Calculation of impairment allowance for expected credit losses on financial assets (see note 39.1.3).

- The Company recognizes a loss allowance for expected credit losses on financial assets carried at amortized cost on date of initial recognition. The amount of expected credit losses is updated on each reporting date to reflect the changes in credit risk since initial recognition of the respective financial asset. Estimating expected credit losses and changes there in requires taking into account qualitative and quantitative forward looking information. When measuring expected credit losses on financial assets the Company uses reasonable and supportable forward looking information as well as historical data to calculate the difference between the contractual cash flows due and those that the Company would expect to receive, taking into account cash flows from collateral and integral credit enhancements, if any. Probability of default constitutes a key input in measuring expected credit losses. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. Further information on the Company's credit risk management practices and credit quality and impairment of financial assets is referred to in note 39.1.3.

2.4.3.2 Impairment of non-financial assets (see note 3.3).

- The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated using criteria given in respective accounting standards to determine the extent of impairment loss, if any.

2.4.4 Provision for stock in trade (see note 3.5).

- Valuation of the stock in trade is reviewed at regular intervals for determination of possible impairment, if any. Any possible impairment may change the future value of stock in trade. Provision for obsolete and slow-moving stock is based on management's estimate of the condition and usability of stock.

RH2084

2.4.5 Financial instruments – fair value (see note 3.9)

- When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4.6 Contingencies (see note 3.17.1).

- The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence/ non-occurrence of the uncertain future events.

2.4.7 Provisions (see note 3.16).

- In case of provisions as the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

2.4.8 Lease (see note 3.4).

2.4.8.1 Determination of the lease term for lease contracts with extension and termination

- The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.
- The Company has lease options in its contracts that include extension and termination options. The Company applies judgements in evaluating whether it is reasonably certain whether to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal or termination. After the commencement period, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects the ability to exercise or not to exercise the option to renew or to terminate. (e.g., construction of significant leasehold improvements or significant customization of the leased asset).

2.4.8.2 Estimating the incremental borrowing rate

- The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

2.4.9 Business model assessment for classification of financial assets (see note 38.1).

- The Company classifies its financial assets on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The Company determines the business model at a level that reflects how financial assets are managed to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortized cost or fair value that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the year.

RH2053

2.5 Changes in accounting standards, interpretations and pronouncements

2.5.1 Standards, interpretations and amendments to published approved accounting standards that became effective during the year

- The following new and revised standards, interpretations and amendments are effective in the current year but are either not relevant to the Company or their application does not have any material impact on the financial statements of the Company other than presentation and disclosures, except as stated otherwise.

Amendments or Improvements	Effective date (Annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2.	January 1, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 1, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 1, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 1, 2023

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

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

Management reviewed the accounting policies and updates to the information disclosed in Note 3 Material accounting policies in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

RH2029

2.5.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

- The following standards, interpretations and amendments are in issue which are not effective as at the reporting date and have not been early adopted by the Company.

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

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

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

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

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

RH2D89

3 MATERIAL ACCOUNTING POLICIES INFORMATION

- The accounting policies set out below have been applied consistently to all periods presented in these financial statements except for the changes of adoption of new accounting standards as indicated in Note 2.5.1 and the changes as indicated below:

3.1 Property and equipment(see note 2.4.1).

3.1.1 Operating fixed assets

- Property and equipment including leasehold improvements are initially recorded at cost.
- Subsequently these are stated at cost less accumulated depreciation and any identified impairment loss.
- The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Cost in relation to certain assets also includes cost of borrowing during construction period in respect of loans taken for specific asset/projects.
- Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income as and when incurred.
- Depreciation on property and equipment is charged to income on straight line method so as to write off the cost of an asset over its estimated useful life at the annual rates mentioned in note 5.1 to these financial statements after taking into account their residual values.
- Depreciation on additions is charged from the day on which the assets are available for use while no depreciation will be charged from the day on which the assets are disposed off.
- The assets' residual values, useful lives and depreciation method are reviewed, at each financial year end, and adjusted if impact on depreciation is significant (see note 2.4.1).
- Leasehold improvements are depreciated at lower of lease term of leased premises or useful life.
- An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use. Disposal of an asset is recognized when significant risk and rewards, incidental to the ownership of an asset, have been transferred to the buyer.
- The gain or loss on disposal or retirement of property and equipment (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is charged to income in the period of disposal or retirement of asset.

3.1.2 Capital work-in-progress

- Capital work-in-progress is stated at cost less impairment loss. if any and consists of expenditure incurred (including any borrowing cost, if applicable) in the course of their construction and installation. Transfers are made to relevant asset category as and when assets are available for intended use.

3.1.3 Advance against capital assets

- Advance against capital assets is stated at cost less impairment loss, if any. Transfers are made to relevant asset category as and when assets are available for intended use.

3.2 Intangible assets

- An intangible asset is recognized if it is probable that future economic benefits attributable to the asset will flow to the Company and cost of such asset can be measured reliably. Intangibles acquired by the Company are initially recognized at cost and are carried at cost less accumulated amortization and impairment, if any. Costs associated with developing or maintaining computer software programmed are recognized as an expense when incurred. However, costs that are directly associated with identifiable and unique software products controlled by the Company and that have probable economic benefits exceeding their cost and beyond one year, are recognized as intangible assets.

RH2DRG

- Amortization is charged to income by applying the straight-line method whereby the carrying amount less residual value, if not insignificant, of an asset is amortized over its estimated remaining useful life to the Company. Amortization on additions is charged from the day on which the intangible assets are available for use while no amortization will be charged from the day on which the intangible assets are held for disposal.
- Company accounts for impairment, where indications exist, by reducing asset's carrying amount to the recoverable amount.

3.3 Impairment of non-financial assets (see note 2.4.3.2).

- Assets that have an indefinite useful life, for example freehold land, are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each reporting date, or wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs to sell and value in use.
- For the purposes of assessing impairment, assets are grouped at the lowest levels, for which there are separately identifiable cash flows. Non-financial assets that suffered an impairment, are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment loss are restricted to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. An impairment loss or reversal of impairment loss is recognised in profit or loss for the year.

3.4 Lease liability and right-of-use asset (ROUA) (see note 2.4.8).

- At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.
- Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.
- The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.
- Lease payments included in measurement of lease liability comprise:
  - Fixed lease payments, including in-substance fixed payments, less any lease incentives receivable;
  - Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
  - The amount expected to be payable by the lessee under residual value guarantees;
  - The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
  - Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.
- The lease liability is subsequently measured at amortised cost using the effective interest rate method whereby the carrying amount of lease liability is increased to reflect the interest thereon and decreased to reflect lease payments made. Interest is recognized in profit or loss.
- Lease liability is remeasured whenever:
  - The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
  - The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate, unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used; or

R42P84

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

- When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the related right-of-use asset, except where the carrying amount of right-of-use asset is reduced to zero. In that case, any adjustment exceeding the carrying amount of the right-of use asset is recognized in profit or loss.
- Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs.
- The Company has elected to apply the practical expedient not to recognise right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.
- The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.
- Subsequent to initial recognition, a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognized using straight-line method over the shorter of lease term and useful life of the right-of-use asset, unless the lease transfers ownership of the underlying asset to the Company by the end of lease term or the cost of the right-of use asset reflects that the Company will exercise a purchase option. In that case, the right-of-use asset is depreciated over the useful life of the underlying asset, which is determined on the same basis as those of operating fixed assets. In addition, the right-of-use asset is adjusted for certain remeasurements of the related lease liability.

3.5 Stock in Trade (see note 2.4.4).

- These are valued at the lower of cost and net realizable value. Cost is determined using the moving weighted average cost basis.
- Cost comprises costs of purchase (including non-refundable taxes, transport, and handling) net of trade discounts received and other normal costs incurred in bringing the inventories to their present location and condition.
- Stock in transit are stated at invoice price plus related other costs incurred up to the reporting date.
- Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

3.6 Employee benefits

3.6.1 Short-term employee benefits

- The Company recognizes the undiscounted amount of short term employee benefits to be paid in exchange for services rendered by employees as a liability after deducting amount already paid and as an expense in profit or loss unless it is included in the cost of inventories or property and equipment as permitted or required by the approved accounting and reporting standards as applicable in Pakistan. If the amount paid exceeds the undiscounted amount of benefits, the excess is recognized as an asset to the extent that the prepayment would lead to a reduction in future payments or cash refund.

RH2859

3.6.2 Post-employment benefits - Defined benefit plan

- The Company operates an unfunded gratuity scheme covering for all its permanent employees who have attained the minimum qualifying period for entitlement to the gratuity. Provision is made annually on the basis of actuarial valuation and charged to income currently. As at reporting date no permanent employee fulfil criteria of minimum service during the year to become eligible for gratuity. Accordingly neither liability is recorded nor actuarial valuation is conducted for the year ended June 30, 2024.

3.7 Taxation

3.7.1 Income Tax (see note 2.4.2).

- Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income, in which case it is recognized in other comprehensive income.

3.7.1.1 Current

- Current tax is the amount of tax payable for the year calculated based on tax laws enacted or substantively enacted in Pakistan at the end of the reporting period and any adjustment to the tax payable in respect of prior years.
- Current tax is calculated on taxable income after taking into account applicable tax credits, rebates and exemptions available, if any, or minimum taxation, or alternate corporate tax at the applicable rates, whichever is higher, however, for income covered under minimum or final tax regime, taxation is based on applicable tax rates under such regime.
- Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.
- Current tax assets and tax liabilities are offset, where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.7.1.2 Deferred

- Deferred tax is accounted for using the' balance sheet approach' providing for temporary differences between tax bases of assets and liabilities and their carrying amount for financial reporting purposes.
- In this regard, the effects on deferred taxation of the portion of income that is subject to final tax regime is also considered in accordance with the treatment prescribed in "Technical Release - 27 " by The Institute of Chartered Accountants of Pakistan.
- Deferred tax is measured at rates that are expected to be applied to the temporary differences when they reverse, based on tax laws that have been enacted or substantively enacted by the end of the reporting date.
- A deferred tax liability is recognized for all taxable temporary differences. A deferred tax asset is recognized for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilize those temporary differences and unused tax losses and credits.
- Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

3.7.1.3 Levy

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

RH2083

3.7.2 Sales Tax

- Revenues, expenses, assets and liabilities are recognized net of the amount of sales tax except:
  (a) Where the sales tax incurred on purchase of assets or services is not recoverable from the taxation authority, the sales tax is recognized as part of the cost of acquisition of the asset or as part of expense, as applicable.
  (b) When receivables and payable are stated with the amount of sales tax included.
- The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Sales tax assets and liabilities are off setted when balances relate to the same taxation authority.

3.8 Financial instruments

- A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. It is recognized when the Company becomes a party to the contractual provisions of the instrument.

3.8.1 Financial assets

(a) Initial recognition and measurement

- Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.
- The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.
- In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.
- The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.
- Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(b) Subsequent measurement

- For purposes of subsequent measurement, financial assets are classified in following categories:
  (i) Financial assets at amortised cost (debt instruments)
  (ii) Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
  (iii) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
  (iv) Financial assets at fair value through profit or loss

(i) Financial assets at amortized cost (debt instruments)

- This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:
  - The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

RH2089

(ii) Financial assets at fair value through OCI (debt instruments)

- The Company measures debt instruments at fair value through OCI if both of the following conditions are met:
  - (i) The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
  - (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

(iii) Financial assets designated at fair value through OCI (equity instruments)

- Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under "IAS 32 Financial Instruments: Presentation" and are not held for trading. The classification is determined on an instrument-by-instrument basis.
- Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

(iv) Financial assets at fair value through profit or loss

- These are financial assets which have not been classified as 'financial assets at amortized cost' or as 'financial assets at fair value through other comprehensive income', are mandatorily measured at fair value through profit or loss or for which the Company makes an irrevocable election at initial recognition to designate as 'financial asset at fair value through profit or loss' if doing so eliminates or significantly reduces a measurement or recognition inconsistency.
- Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.
- This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognized as other income in the statement of profit or loss when the right of payment has been established.
- A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

RH2089

(c) Derecognition

- A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:
  (i) The rights to receive cash flows from the asset have expired.
  (ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  (a) the Company has transferred substantially all the risks and rewards of the asset, or
  (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(d) Impairment of financial assets

- The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).
- For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.
- For debt instruments at amortized cost (other than trade receivables and contract assets) and fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 60 days past due.
- The Company's debt instruments at fair value through OCI that are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the Good Credit Rating Agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

RH2BG

- The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.8.2 Financial liabilities

(a) Initial recognition and measurement

- Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, and financial liabilities at amortized cost, as appropriate.
- All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(b) Subsequent measurement

- The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

- Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.
- Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.
- Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.
- Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.
- Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

(ii) Financial liabilities at amortized cost (loans and borrowings)

- This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.
- Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.
- This category generally applies to interest-bearing loans and borrowings.

(c) Derecognition

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

3.8.3 Derivative financial instruments

- Derivatives are initially recognized at fair value. Any directly attributable transaction costs are recognized in the statement of profit or loss as incurred. They are subsequently remeasured at fair value on regular basis and at each reporting date as a minimum, with all their gains and losses, realized and unrealized, recognized in the statement of profit or loss.

3.8.4 Off setting of financial instruments

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

RH2024

3.9 Fair value measurement (see note 2.4.5)

- 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.
- The different levels of fair valuation method have been defined as follows:

  Level 1: Quoted prices in active markets for identical assets or liabilities;

  Level 2: 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: Inputs for the asset or liability that are not based on observable market data.

3.10 Investments in quoted equity securities

- Investments in quoted equity securities are mandatorily classified as financial assets at fair value through profit or loss. On initial recognition, these are measured at fair value on the date of acquisition. Subsequent to initial recognition, these are measured at fair value. Changes in fair value are recognized in profit or loss. Gains and losses on de-recognition are recognized in profit or loss. Dividend income is recognized in profit or loss when right to receive payment is established.

3.11 Trade debts and other receivables

- Trade debts are amounts due from customers for sale of goods in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. The amounts are unsecured and are usually received within 60 days of recognition.

3.11.1 Financial assets at amortized cost

- These are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest method, with interest recognized in profit or loss. Impairment of trade debts and other receivables is described in note 2.4.3.1.

3.11.2 Non-financial assets

These, both on initial recognition and subsequently, are measured at cost.

3.12 Trade and other payables

- Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.
- Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

3.12.1 Financial liabilities

- These are classified as 'financial liabilities at amortized cost. On initial recognition, these are measured at cost, being their fair value at the date the liability is incurred, less attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method, with interest recognized in profit or loss.

3.12.2 Non-financial liabilities

These, both on initial recognition and subsequently, are measured at cost.

RH ZBC9

3.13 Revenue from contracts with customers

3.13.1 From sale of goods to customer

- Revenue from the sale of goods is recognized at the point in time when the related performance obligations arising from the contract with a customer is satisfied and the amount of revenue that it expects to be entitled to, can be determined to the extent of transaction price allocated to the performance obligation satisfied. This usually occurs when control of the goods is transferred to the customer, which is when the goods are delivered to and have been accepted by customers. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods provided in the normal course of business. Revenue is disclosed net of taxes, returns, rebates, discounts and other allowances.
- Generally, the normal credit term is 60 days upon delivery in case of credit sales. The Company does not expect to have any contracts where the period between the transfer of control of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

3.13.2 Other revenue

- Return on bank deposits and short term investments is recognised at amortized cost and are accounted for using the effective interest rate method.
- Dividends on equity investments are recognized as income when the Company's right to receive the dividends is established.
- All the other revenues are recorded on accrual basis.

3.14 Contract liabilities

- A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration from the customer. A contract liability is recognized at earlier of when the payment is made or the payment is due if a customer pays consideration before the Company transfers goods or services to the customer.
- Contract liabilities are recognized as revenue when related performance obligations arising from the contract are satisfied.
- It also includes refund liabilities arising out of customers 'right to claim amounts from the Company on account of contractual delays in delivery of performance obligations and incentive on target achievements.

3.15 Deposits and other receivables

These are classified / stated at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company. If collection/return is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

3.16 Provisions (see note 2.4.7).

- Provisions for legal claims and good obligations are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.
- Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

RH2B89

- Provisions are measured at the present value of management's best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risk and uncertainties surrounding the obligation. Where a provision is measured using cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows calculated using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

3.17 Contingencies and commitments

3.17.1 Contingencies (see note 2.4.6).

3.17.1.1 Contingent assets

- Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes virtually certain.

3.17.1.2 Contingent liabilities

- Contingent liabilities are not accounted for in the financial statements unless these are actual liabilities and are only disclosed when:
  a) there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or
  b) there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.
- In event the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

3.17.2 Commitments

- The Company discloses nature, term, aggregate amount and variable componets of commitments at the balance sheet date which are not yet incurred including contractual obligations with suppliers of goods and capital assets for future purchases, lease commitments, guarantees, unused letters of credit and other commitments in note 23 to the financial statements.

3.18 Ordinary share capital

- Ordinary shares are classified as equity and recognized at their face value. Transaction costs (net of tax) directly attributable to the issuance of ordinary shares are recognized as a deduction from equity in statement of changes in equity.

3.19 Earnings per share (EPS)

- Basic EPS is calculated by dividing the profit and loss attributable to ordinary shareholders of the Company with the weighted average number of ordinary shares outstanding during the year.
- Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

3.20 Dividend distribution and other appropriations to ordinary shareholders

- Dividend to ordinary shareholders is recognized as a deduction from retained earnings in statement of changes in equity and as a liability, to the extent it is unclaimed/unpaid, in the Company's financial statements in the year in which the dividends are declared and other appropriations are recognized in the period in which these are approved.
- However, if these are approved after the reporting period but before the financial statement are authorized for issue, disclosure is made in the financial statements as subsequent events after the reporting date.

QA2484

3.21 Cash and cash equivalents

- Cash and cash equivalents are carried in the statement of financial position at cost. Interest income on cash and cash equivalents is recognized using effective interest method.
- For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank balances, cheques in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value net of outstanding bank overdrafts which form an integral part of the Company's cash management.

3.22 Related party transactions

- Transactions with related parties are carried out by the Company at arms' length prices.

Whereas transactions lacking commercial substance are conducted are conducted in accordance with policy approved by Board of Directors, where majority of the directors are interested in such transactions, the matter shall be placed before the Members of the Company in general meeting for approval as special resolution as prescribed under section 208 of Companies Act, 2017.

3.23 Segment reporting

- Segment reporting is based on the operating segments that are reported in the manner consistent with internal reporting of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.
- Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.24 Foreign currency transactions and translations

- Transactions in foreign currency are translated to the functional currency of the Company using exchange rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at exchange rate prevailing at the reporting date.
- Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are translated to the functional currency at exchange rate prevailing at the date the fair value is determined. Non-monetary assets and liabilities denominated in foreign currency that are measured at historical cost are translated to functional currency at exchange rate prevailing at the date of initial recognition.
- Any gain or loss arising on translation of foreign currency transactions and balances is recognized in profit or loss.

4 RESTATEMENT

4.1 Change in accounting policy

Previously, sum of current tax expense calculated as per applicable tax laws, final tax was recorded as income tax expense.

During the year the Institute of Chartered Accountant of Pakistan has issued the guidance for accounting of minimum and final taxes through circular No. 7/2024 dated May 15, 2024 and defined following two approaches:

Approach 1: Designate the amount calculated as tax on gross amount of revenue or other basis as a levy within the scope of IFRIC 21/IAS 37 and recognize it as an operating expense. Any excess over the amount designated as a levy is then recognized as current income tax expense falling under the scope of IAS 12.

Approach 2: Designate the amount of tax calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognize it as current income tax expense. Any excess over the amount designated as income tax, is then recognized as a levy falling under the scope of IFRIC 21/IAS 37.

RH2AC9

During the year ended June 30, 2024, the Company has revised its accounting policy and adopted approach 2 and recognized final tax and minimum tax as a levy accordingly. This change in accounting policy has been accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors', and the comparative financial statements have been restated.

4.2 Prior period error

During the previous year, the Company recognized deferred tax on differences between carrying value of certain assets/liabilities and their tax base. As at reporting date, the company intended to recover and settle the carrying value of these assets/liabilities under final tax regime of Income Tax Ordinance, 2001. Therefore, no deferred tax should have been recognized as the differences were of permanent nature.

During the previous year, the Company recognized the difference between the fair value at initial recognition and the transaction price of long term security deposits as expense in the profit or loss instead of recognising this as deferred cost and to amortised it accordingly.

Such errors/omissions constitute 'prior year errors' as defined in "IAS 8-Accounting Policies, Changes in Accounting Estimates and Errors". Accordingly, the above mentioned prior period errors have been corrected retrospectively in the current period by restating the comparative amounts presented i.e. June 30, 2023. Consequently, the impacts of retrospective rectification of errors are as follows:

4.3 Effects of restatement

	Note	2023 Rupees
Effect of change in accounting policy	4.1	
Effect on statement of financial position		
Increase / (decrease) in current liabilities		
Trade and other payables		
Increase in levies payable	19	11,362
Provision for taxation		
Decrease in provision for taxation	22	(11,362)
Effect on statement of profit or loss		
Increase in levies	31	1,472,696
Decrease in taxation expense	32	(1,472,696)

Effect on statement of other comprehensive income

There is no effect of change in accounting policy on the statement of other comprehensive income.

Effect on statement of changes in equity

There is no effect of change in accounting policy on the statement of changes in equity.

Effect on statement of cashflows

Decrease in working capital changes	(11,362)
Decrease in taxes paid	(1,461,334)

RHZ OK

	Note	2023 Rupees
Effect of rectification of prior period error	**4.2**	
Effect on statement of financial position		
Increase / (decrease) in non-current assets		
Deferred tax asset		
Deferred tax liability on taxable temporary differences	10	11,259,193
Deferred tax asset on deductible temporary differences	10	(11,714,698)
Deferred tax asset on tax losses and credits	10	1,696,381
		1,240,876
Long term security deposits		
Decrease in long term security deposits	8	(234,496)
Deferred cost		
Increase in deferred cost	9	4,021,125
Increase / (decrease) in current assets		
Increase in current portion of deferred cost	9	104,303
Effect on statement of profit or loss		
Decrease in taxation expense	32	1,240,876
Decrease in other income	28	(232,499)
Decrease in finance cost	30	4,123,431
		5,131,808
Effect on statement of other comprehensive income		
Decrease in loss for the year ended June 30, 2023		5,131,808
Effect on statement of cash flows		
Adjustments for non cash and other items:		
Decrease in finance cost		4,123,431
Decrease in un-winding of interest on long term security deposits		232,499
Effect on statement of changes in equity		
Increase in equity		
Decrease in loss for the year ended June 30, 2023		5,131,808

RH2089

4.4 Reconciliation of restatements

		For the year ended June 30, 2023		
		As previously reported	As restated	Restatement
Effect on statement of financial position				
Provision for taxation	4.1	11,362	-	(11,362)
Trade and other payables	4.1	32,939,991	32,951,353	11,362
Deferred taxation	4.2	34,025,125	35,266,001	1,240,876
Long term security deposits	4.2	609,068	374,572	(234,496)
Deferred cost	4.2	-	4,021,125	4,021,125
Current portion of deferred cost	4.2	-	104,303	104,303
Effect on statement of profit or loss				
Other income		449,222	216,723	(232,499)
Finance cost		(6,337,661)	(2,214,230)	4,123,431
Loss before income tax and levies		(18,728,047)	(14,837,115)	3,890,932
Levies	4.1	-	(1,472,696)	(1,472,696)
Loss before income tax		(18,728,047)	(16,309,811)	2,418,236
Taxation	4.1&4.2	541,782	3,255,354	2,713,572
Loss for the year		(18,186,265)	(13,054,457)	5,131,808
Loss per share - basic and diluted		(0.75)	(0.54)	0.21
Effect on statement of other comprehensive income				
Loss for the year		(18,186,265)	(13,054,457)	5,131,808
Effect on statement of cashflows				
Adjustments for non cash and other items:				
Finance cost		6,337,661	2,214,230	4,123,431
Un-winding of interest on long term security dep		(256,822)	(24,323)	(232,499)
Working capital changes:				
Trade and other payable		23,598,335	23,609,797	(11,462)
Cash (outflow) from operating activities:		(45,527,324)	(46,988,658)	1,461,334
Taxes paid	4.1	(1,579,735)	(118,391)	(1,461,344)
Net cash (used in) operations		(51,693,038)	(51,693,038)	-
Effect on statement of changes in equity				
Loss for the year	4.2	(18,186,265)	(13,054,457)	(5,131,808)
Balance as at June 30, 2023	4.2	90,219,554	95,351,362	(5,131,808)

RHZD89

	Note	2024 Rupees	2023 Rupees
5 PROPERTY AND EQUIPMENT			
Operating fixed assets - owned	5.1	8,862,155	-
Capital work in progress	5.4	3,450,000	-
Advances against capital assets	5.8	-	1,603,000
		12,312,155	1,603,000

5.1 Operating fixed assets - owned

Reconciliation of the carrying amounts at the beginning and end of the year is as follows:

2024					
Particulars	**Furniture and fixtures**	**Office equipment**	**Computer and accessories**	**Leasehold Improvements**	**Total**
	Rupees				
Cost	50,600	44,800	141,200	-	236,600
Accumulated depreciation	(50,600)	(44,800)	(141,200)	-	(236,600)
Net book value - July 01, 2023	-	-	-	-	-
Opening net book value	-	-	-	-	-
Additions during the year	279,969	555,000	-	8,135,541	8,970,510
Depreciation for the year	(6,999)	(9,250)	-	(92,106)	(108,355)
Net book value - June 30, 2024	272,970	545,750	-	8,043,435	8,862,155
Cost	330,569	599,800	141,200	8,135,541	9,207,110
Accumulated depreciation	(57,599)	(54,050)	(141,200)	(92,106)	(344,955)
Net book value - June 30, 2024	272,970	545,750	-	8,043,435	8,862,155
Rate of depreciation	15%	10%	30%	6.77%	

2023				
Particulars	**Furniture and fixtures**	**Office equipment**	**Computer and accessories**	**Total**
	Rupees			
Cost	50,600	44,800	141,200	236,600
Accumulated depreciation	(48,913)	(25,570)	(141,200)	(215,683)
Net book value - July 01, 2022	1,687	19,230		20,917
Opening net book value	1,687	19,230	-	20,917
Additions during the year	-	-	-	-
Impairment loss charged for the year		(14,750)		(14,750)
Depreciation for the year	(1,687)	(4,480)	-	(6,167)
Net book value - June 30, 2023	-	-	-	-
Cost	50,600	44,800	141,200	236,600
Accumulated depreciation	(50,600)	(44,800)	(141,200)	(236,600)
Net book value - June 30, 2023	-	-	-	-
Rate of depreciation	15%	10%	30%	

RH-ZA59

	Note	2024 Rupees	2023 Rupees
5.2 The depreciation charge for the year has been allocated as follows:			
Administrative expenses	26	16,249	6,167
Cost of revenue	25	92,106	-
		108,355	6,167

5.3 Following is the details of cost operating fixed assets that are fully depreciated as of reporting date:

	2024 Rupees	2023 Rupees
Furniture and fixtures	50,600	50,600
Office equipment	44,800	44,800
Computer and accessories	141,200	141,200
	236,600	236,600

5.4 Capital work in progress

	2024 Rupees	2023 Rupees
Leasehold improvements		
Opening balance	-	-
Additions during the year	3,450,000	-
	3,450,000	-
Capitalized as operating fixed assets during the year	-	-
Closing balance	3,450,000	-

5.5 Capital work in progress relates to new tuck, wash and tyre shop being constructed at the Sheikhupura petrol filling station.

5.6 These operating fixed assets are free from any lien/charge/mortgage (2023: Nil).

5.7 There is no item of operating fixed assets which is temporarily idle or otherwise retired from active use.

5.8 Advance against capital assets represented amounts given as advance to multiple parties for construction work at Sheikhupura petrol filling station.

5.9 During the year, the Company recongnized leasehold improvements amounting Rs. 8,135,541 in operating fixed assets. These capital expenses were incurred for construction work at Sheikhupura petrol filling station which is on lease. (refer note 7.1)

AHZ ASG

	Note	2024 Rupees	2023 Rupees
6 INTANGIBLES			
Intangible assets - Definite useful life	6.1	2,040,347	1,355,239
		2,040,347	1,355,239

6.1 Intangible assets - Definite useful life

Reconciliation of the carrying amounts at the beginning and end of the year is as follows:

2024

Particulars	ERP system	Dealership rights	Total
	Rupees		
Cost	1,372,537	-	1,372,537
Accumulated amortization	(17,298)	-	(17,298)
Net book value - July 01, 2023	1,355,239	-	1,355,239
Opening net book value	1,355,239	-	1,355,239
Additions during the year	-	1,000,000	1,000,000
Amortization for the year	(274,507)	(40,385)	(314,892)
Net book value - June 30, 2024	1,080,732	959,615	2,040,347
Cost	1,372,537	1,000,000	2,372,537
Accumulated amortization	(291,805)	(40,385)	(332,190)
Net book value - June 30, 2024	1,080,732	959,615	2,040,347
Rate of amortization	20%	6.67%	
Remaining useful life	3 years 11 months	14 years 4 months	

2023

Particulars	ERP system	Dealership rights	Total
	Rupees		
Cost	-	-	-
Accumulated amortization	-	-	-
Net book value - July 01, 2022	-	-	-
Opening net book value	-	-	-
Additions during the year	1,372,537	-	1,372,537
Amortization for the year	(17,298)	-	(17,298)
Net book value - June 30, 2023	1,355,239	-	1,355,239
Cost	1,372,537	-	1,372,537
Accumulated amortization	(17,298)	-	(17,298)
Net book value - June 30, 2023	1,355,239	-	1,355,239
Rate of amortization	20%		
Remaining useful life	4 years 11 months		

6.2 The amortization charge for the year has been allocated as follows:

	Note	2024 Rupees	2023 Rupees
Administrative expenses	26	274,507	17,298
Cost of revenue	25	40,385	-

6.3 No impairment related to intangible assets has been charged during the year (2023: Nil).

6.4 These intangible assets are free from any lien/charge/mortgage (2023: Nil).

6.5 There is no item of intangible asset which is temporarily idle or otherwise retired from active use.

RH2A59

	Note	2024 Rupees	2023 Rupees
7 RIGHT OF USE ASSETS			
Leasehold land for filling station in Sheikhupura	7.1	14,729,021	14,646,782
Leasehold filling station in Multan	7.1	23,175,542	25,824,175
		37,904,563	40,470,957

7.1 Reconciliation of the carrying amounts at the beginning and end of the year is as follows:

Particulars	2024		
	Leasehold land for filling station in Sheikhupura	Leasehold filling station in Multan	Total
	Rupees		
Net carrying value basis			
Cost	15,038,407	26,486,333	41,524,740
Accumulated depreciation	(391,625)	(662,158)	(1,053,783)
Net book value - July 01, 2023	14,646,782	25,824,175	40,470,957
Opening net book value	14,646,782	25,824,175	40,470,957
Additions during the year	-	-	-
Effect of remeasurment	1,051,343	-	1,051,343
Depreciation for the year	(969,104)	(2,648,633)	(3,617,737)
Net book value - June 30, 2024	14,729,021	23,175,542	37,904,563
Gross carrying value basis			
Cost	15,038,407	26,486,333	41,524,740
Effect of remeasurment	1,051,343	-	1,051,343
Accumulated depreciation	(1,360,729)	(3,310,791)	(4,671,520)
Net book value - June 30, 2024	14,729,021	23,175,542	37,904,563
Rate of depreciation	6.67%	10%	

RH2BS9

Particulars	2023		
	Leasehold land for filling station in Sheikhupura	Leasehold filling station in Multan	Total
	Rupees		
Net carrying value basis			
Cost	-	-	-
Accumulated depreciation	-	-	-
Net book value - July 01, 2022	-	-	-
Opening net book value	-	-	-
Additions during the year	15,038,407	26,486,333	41,524,740
Depreciation for the year	(391,625)	(662,158)	(1,053,783)
Net book value - June 30, 2023	14,646,782	25,824,175	40,470,957
Gross carrying value basis			
Cost	15,038,407	26,486,333	41,524,740
Accumulated depreciation	(391,625)	(662,158)	(1,053,783)
Net book value - June 30, 2023	14,646,782	25,824,175	40,470,957
Rate of depreciation	6.25%	10.00%	

7.2 The Company has lease contracts for land for filling station in Sheikhupura and an operational filling station in Multan. The remaining lease terms are 14 years and 7 months, and 8 years and 9 months respectively. The lease agreements do not restrict the Company to sublease any part of the leased premises. Both contracts include extension options with mutual consent of both parties.

7.3 Depreciation is charged on straight line basis over the lease term of the assets.

	Note	2024 Rupees	2023 Rupees
7.4 The depreciation charge for the year has been allocated as follows:			
Cost of revenue	25	**3,617,737**	662,158
Other operating expenses	27	**-**	391,625
Total		**3,617,737**	1,053,783

7.5 These right of use assets are free from any lien/charge/mortgage (2023: Nil).

7.6 No impairment related to right of use assets has been charged during the year (2023: Nil).

7.7 There is no item of right of use assets which is temporarily idle or otherwise retired from active use.

RH2BS9

	Note	2024 Rupees	2023 Rupees Restated
8 LONG TERM SECURITY DEPOSITS			
Cummulative security deposit		**5,500,000**	4,500,000
Less: cummulative cost arising on initial recognition deferred over the lease term		**(4,989,989)**	(4,149,751)
		510,011	350,249
Add: income recognised in profit or loss on unwinding of present value adjustment	28	**104,303**	24,323
		614,314	374,572
Less current portion		**-**	-
		614,314	374,572

8.1 These deposits are classified and carried as 'financial assets at amortized cost' using the effective interest rate method (EIR) under IFRS 9. These represent unsecured and interest free security deposits paid to the landlords under lease contracts and are considered good by the management. The actual paid amounts of Rs. 5.5 million (2023: Rs. 4.5 million) are refundable at the end of lease term. These do not carry any significant credit risk, accordingly no loss allowance has been made. Effective interest rates used to discount future cash flows to calculated amortized cost range from 20.29% - 24.54% (2023: 20.29% - 24.54%) . The cost on initial recognition is recognised as deferred cost (note 9).

	Note	2024 Rupees	2023 Rupees Restated
9 DEFERRED COST			
Opening		**4,125,428**	-
Recognised during the year		**864,561**	4,149,751
Transferred to profit or loss	30	**(104,303)**	(24,323)
		4,885,686	4,125,428
Current portion of deferred cost		**(142,512)**	(104,303)
		4,743,174	4,021,125

9.1 This represents difference between the fair value at initial recognition and the transaction price of long term security deposits.

10 DEFERRED TAXATION

The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

	2024	2023
Deferred tax liability on taxable temporary differences	**(13,592)**	(7,921)
Deferred tax asset on deductible temporary differences	**15,459**	8,025
Deferred tax asset on tax losses and credits	**34,306,330**	35,265,897
Deferred tax asset - Net	**34,308,197**	35,266,001

10.1 The management of the Company has recognised deferred tax asset as sufficient taxable profits are expected to be available to set off net deductible temporary differences in the foreseeable future.

RH2Ø89

10.2 Deferred tax arising from timing differences pertaining to income from business is provided for only that portion of timing differences that represent income taxable under normal provisions of the Income Tax Ordinance, 2001 as revenue from petroleum products of the Company is subject to taxation under the final tax regime under section 156A, while the remaining portion of revenue attracts assessment under normal provisions of the Ordinance. Deferred tax has been calculated at 29% (June 30, 2023: 29%) of the timing differences so determined based on tax rates notified by the Government of Pakistan for future tax years under Income Tax Ordinance, 2001.

10.3 Recognized deferred tax assets and liabilities are attributable to the following:

Movement in temporary differences for the period	Balance as at July 01, 2023	Recognized in profit or loss	Balance as at June 30, 2024
		(Rupees)	
Deferred tax liability on taxable temporary differences:			
- Property and equipment	-	(13,592)	(13,592)
	-	(13,592)	(13,592)
Deferred tax asset on deductible temporary differences:			
- Workers' Welfare Fund payable	8,025	(6,133)	1,892
- Intangible assets	(7,921)	21,488	13,567
On tax losses and credits:			
- Unabsorbed tax losses and depreciation	33,507,720	(959,567)	32,548,153
- Minimum turnover tax	1,758,177	-	1,758,177
	35,266,001	(944,212)	34,321,789
	35,266,001	(957,804)	34,308,197

Movement in temporary differences for the period	Balance as at July 01, 2022	Recognized in profit or loss	Balance as at June 30, 2023
		(Rupees)	
Deferred tax liability on taxable temporary differences:			
- Property and equipment	8,648	(8,648)	-
- Intangible assets	-	(7,921)	(7,921)
	8,648	(16,569)	(7,921)
Deferred tax asset on deductible temporary differences:			
- Workers' Welfare Fund payable	-	8,025	8,025
- Lease liabilities	-	-	-
On tax losses and credits:			
- Unabsorbed tax losses and depreciation	31,351,355	2,156,365	33,507,720
- Minimum turnover tax	650,644	1,107,533	1,758,177
	32,001,999	3,271,923	35,273,922
	32,010,647	3,255,354	35,266,001

10.4 Tax losses amounting Rs. 687,407, Rs.6,450,657, Rs. 2,394,353, Rs. 93,868,501 and Rs. 8,566,639 will expire in year 2025, 2026, 2027, 2028 and 2029 respectively.While tax depreciation amounting Rs. 197,281 can be carried forward for an indefinite period. Minimum tax credits amounting Rs. 650,644 and Rs. 1,107,533 will be expired in 2025 and 2026 respectively.

RHZ059

10.5 There is no change in the corporate income tax rate for the year. Deferred tax assets and liabilities on temporary differences are measured at effective rate of 29% (2023: 29%).

11 SHORT TERM INVESTMENTS

At Fair Value through Profit or Loss (FVTPL)

	Particulars	No. of shares	Fair value/ share	June 30, 2024	June 30, 2023
				Rupees	
-	First Paramount Modaraba	62	8.30	515	248
-	The Searle Company Limited	3	57.12	171	115
-	Ghani Chemical Industries Limited	59	11.03	651	557
				1,337	920

11.1 Financial assets at fair value through profit or loss include investments in listed equity shares. Fair values of these equity shares are determined by reference to published price quotations in an active market.

		Note	2024 Rupees	2023 Rupees
12	**STOCK IN TRADE**			
	Petroleum products		10,618,682	2,676,798
			10,618,682	2,676,798
13	**TRADE AND OTHER RECEIVABLES**			
	(unsecured, considered good)			
	Local trade debts	13.1	-	21,986,278
			-	21,986,278
	Allowance for expected credit loss			
	On trade receivables from contracts	13.2	-	-
			-	21,986,278
	Movement of allowance for expected credit losses of trade receivables			
	Balance as at July 1		-	-
	Impairment charge for the year		-	-
	Amounts written off		-	-
	Reduction/reversal		-	-
	Balance as at June 30		-	-

13.1 These represented interest free, unsecured but considered good by management local trade receivables. This includes amount receivable from related party "M/s. Oilboy (Private) Limited" amounting to Rs.Nil (2023: 21,032,304) against sale of goods.

13.1.1 The maximum balance receivable from associated Company M/s. Oilboy (Private) Limited at the end of any month during the year amounts to Rs. 21,032,304 (2023: 42,641,860).

13.2 After considering past experience, current conditions and forecasts, there is no indication of any shortfall in contractual cash flows of trade debts, therefore, no expected credit loss is charged for the year.

RH2A83

13.3 Age analysis of trade receivables:

Year	Not yet past due	Past due but not impaired				Past due and impaired	Total gross amount
	0 - 60 days	61 - 90 days	91 - 180 days	181 - 365 days	More than 365		
2024	-	-	-	-	-	-	-
2023	21,986,278	-	-	-	-	-	21,986,278

	Note	2024 Rupees	2023 Rupees
14 ADVANCES AND PREPAYMENTS			
(Interest free, unsecured but considered good)			
Advances to:			
Suppliers		**5,470,003**	59,336,115
Employees against imprest expenses		**163,000**	663,000
Employees against salary		**500,000**	-
		6,133,003	59,999,115
14.1 Loans and advances exceeding Rs. 1 million			
Category			
Rs. 1 million to Rs. 2 million			
Loans and advances to employees		-	-
Advances to suppliers		-	-
Rs. 2 million upto Rs. 3 million			
Loans and advances to employees			
Advances to suppliers		**5,470,003**	59,336,115
		5,470,003	59,336,115
15 TAX REFUNDS DUE FROM THE GOVERNMENT			
Income tax refundable	15.1	-	-
		-	-
15.1 Income tax refundable			
Balance as on July 01,		**490,790**	372,399
Paid against admitted income tax		-	118,391
Income tax paid/ withheld		-	-
Less: adjusted against provision for taxation	22	-	-
		490,790	490,790
Less: Provision for impairment	15.2	**(490,790)**	(490,790)
Balance as on June 30,		-	-
15.2 Provision for impairment			
Opening balance		**(490,790)**	-
Charge for the year	29	-	(490,790)
Closing balance		**(490,790)**	(490,790)

RH2859

		Note	2024 Rupees	2023 Rupees
16	**CASH AND BANK BALANCES**			
	Cash in hand		**12,008,616**	1,802,875
	Cash at banks			
	- current accounts - local currency		**644,519**	1,340,380
			12,653,135	3,143,255
16.1	Cash and cash equivalents included in the statement of cash flows comprise the following:			
	Cash and bank balances		**12,653,135**	3,143,255
17	**SHARE CAPITAL**			
17.1	**Authorized share capital**			
	160,000,000 (2023: 160,000,000) ordinary shares of Rs.10/- each		**1,600,000,000**	1,600,000,000
17.2	**Issued, subscribed and paid-up capital**			
	25,000,000/- (2023: 25,000,000) ordinary shares of Rs.10/- each fully paid in cash		**250,000,000**	250,000,000

17.2.1 Reconciliation of issued, subscribed and paid up capital

Jun 30, 2024	2023	Particulars	2024	2023
— Number of shares —			— Rupees —	
25,000,000	10,000,000	At beginning of the year	**250,000,000**	100,000,000
-	6,622,082	Issued during the year against cash	-	66,220,820
-	8,377,918	Issued during the year otherwise than cash (adjustment of loan)	-	83,779,180
25,000,000	25,000,000	At the end of the year	**250,000,000**	250,000,000

17.2.2 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

17.2.3 Oilboy (Private) Limited, an associated company, holds 5.53% (2023: 5.53%) shares in the Company.

		Note	2024 Rupees	2023 Rupees
18	**LEASE LIABILITIES**			
	Present value of minimum lease payments against right of use asset	18.1	**45,040,944**	42,078,658
18.1	**Reconciliation:**			
	Opening balance		**42,078,658**	-
	Effect of remeasurement	7.1	**1,051,343**	41,524,740
	Gain on extinguishment of lease liabilty	28	**(4,116,482)**	-
	Interest expense charged during the year	30	**9,526,997**	2,103,918
	Lease rental payments made during the year		**(3,499,572)**	(1,550,000)
			45,040,944	42,078,658
	Current maturity presented under current liabilities		-	-
	Present value of minimum lease payments		**45,040,944**	42,078,658

RH2A89

18.2 Maturity analysis of lease liabilities

- The future minimum lease payments to which the Company is committed under the agreement will be due as follows:

	Note	2024 Rupees	2023 Rupees
Minimum lease payments:			
Not later than 1 year		**9,315,000**	6,840,000
Later than 1 year but not later than 5 years		**56,505,625**	41,632,500
Later than 5 years		**77,586,869**	101,989,994
		143,407,494	150,462,494
Finance cost allocated to future years		**(98,366,550)**	(108,383,836)
Present value of minimum lease payments		**45,040,944**	42,078,658

18.3 The Company had total cash outflows for leases during th year is Rs. 3,499,572 (2023: Rs.1,550,000).

18.4 Interest expense amounting Rs.9,526,997 (2023: Rs.2,103,918) is charged to statement of profit or loss.

18.5 During the year, rent concession was offered by lessor of Multan filling station which is treated under IFRS-9 as extingushment of liability and corresponding adjustments were made in lease liability and profit or loss.

18.6 These represent liabilites against right-of-use assets of the Company for lease contracts of land for filling station in Sheikhupura and a running filling station in Multan. The rentals are payable on monthly basis over a tenor ranging from 10 to 16 years. The cash outflows are discounted at lessee's incremental borrowing rate ranging from 20.29% to 24.54% per annum (1 year KIBOR +2% risk spread at the date of inception of lease contracts). The Company has option to extend the lease term at the end of term with mutual agreement of lessor on new terms and conditions.

	Note	2024 Rupees	2023 Rupees Restated
19 TRADE AND OTHER PAYABLES			
Trade payables		**1,600,000**	28,494,915
Advances from customers - unsecured	**19.1**	**3,156,477**	300,000
Accrued liabilities		**1,468,653**	209,188
Withholding tax payable		**3,479,098**	2,427,812
Levies payable		**-**	11,362
Audit fee payable		**939,649**	407,500
Sales tax payables		**-**	1,071,749
Workers' welfare fund payable	**19.2**	**15,173**	28,827
		10,659,050	32,951,353

19.1 Advance from customer amounting Rs. 20,987,975 has been recongnized in revenue during the year.

RHZBRG

		Note	2024 Rupees	2023 Rupees
19.2	**Movement in workers welfare fund during the year**			
	As at July 01		28,827	-
	Add: Expense recognised during the year	27	15,173	28,827
	Less: Payments made during the year		(28,827)	-
	Add: Interest surcharge on non payment		-	-
	As at June 30		15,173	28,827
20	**DUE TO RELATED PARTIES**			
	Associated Company -unsecured			
	M/s. Oilboy (Private) Limited - related party	20.1	2,220,975	-

20.1 This represents amount payable to Oilboy (Private) Limited, an associated Company, on account of various expenditure incurred on behalf of the Company.

		Note	2024 Rupees	2023 Rupees
21	**UNCLAIMED DIVIDEND**			
	Unclaimed dividend	21.1	631,231	631,231

21.1 These are appearing as unclaimed since the year 2018. The Company has taken steps to pay this dividend by giving notices to all the shareholders in the previous year.

		Note	2024 Rupees	2023 Rupees Restated
22	**PROVISION FOR TAXATION**			
	The current tax liability at the period end represents net balance of:			
	Provision for current income tax		-	-
	Less: Adjusted against advance tax		-	-
			-	-

23 CONTINGENCIES AND COMMITEMENTS

23.1 Contingencies

- There are no contingencies of the Company as at the reporting date (June 30, 2023: Nil).

	Note	2024 Rupees	2023 Rupees
23.2 Commitments			
- Contractual commitments against lease liabilities (refer note 18.2)			
Not later than 1 year		9,315,000	6,840,000
Later than 1 year but not later than 5 years		56,505,625	41,632,500
Later than 5 years		77,586,869	101,989,994
		143,407,494	150,462,494

- The Company is committed to pay Rs. 201,667/- (2023: Rs. 183,333/-) per month under the short term lease for the period not exceeding one year.

RE/2BS9

		Note	2024 Rupees	2023 Rupees
24	**REVENUE**			
	Sale of coal		-	104,117,667
	Sale of petroleum products		206,601,636	11,890,162
	Less: sales tax		-	(15,515,086)
	Less: discount		(225,210)	(23,944)
			206,376,426	100,468,799
25	**COST OF REVENUE**			
	Cost of coal sold	25.1	-	83,879,852
	Cost of petroleum products sold	25.2	199,979,891	11,594,067
	Salaries and other benefits		4,300,878	1,097,910
	Commission expense		96,466	-
	Rent, rates and taxes		-	591,500
	Utilities		2,046,843	125,640
	Repair and maintainance		671,715	75,550
	Travelling and conveyance		124,666	60,568
	Depreciation on right of use assets	7.4	3,617,737	662,158
	Depreciation on property and equipment	5.2	92,106	-
	Amortization on intangible assets	6.2	40,385	-
	Miscellaneous expenses		192,802	50,299
			211,163,489	98,137,544
25.1	**Cost of coal sold**			
	Opening stock in trade		-	-
	Purchases during the period		-	83,879,852
	Less: Closing stock in trade		-	-
			-	83,879,852
25.2	**Cost of petroleum products sold**			
	Opening stock in trade		2,676,798	-
	Purchases during the period		207,921,775	14,270,865
	Less: Closing stock in trade	13	(10,618,682)	(2,676,798)
			199,979,891	11,594,067
26	**ADMINISTRATIVE EXPENSES**			
	Directors' remuneration		8,582,606	4,140,000
	Salaries and other benefits		3,730,900	2,565,386
	Entertainment expenses		926,248	114,666
	Legal and professional charges		1,214,461	2,002,223
	Auditor's remuneration	26.2	1,250,000	732,500
	Postage and courier		15,650	1,450
	Printing and stationery		54,300	90,730
	Rent and repairs	26.1	2,953,334	1,564,167
	Travelling and conveyance		356,381	1,289,422
	Utilities		688,171	677,171
	Software annual subscriptions		-	113,702
	Depreciation on property and equipment	5.2	16,249	6,167
	Amortization on intangible assets	6.2	274,507	17,298
			20,062,807	13,314,882

26.1 This represents rent expense for office premises. The Company has elected the option to treat it as short term lease as the term of lease is one year.

RH2059

OILBOY ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
26.2 AUDITOR'S REMUNERATION			
Audit services			
Annual audit fee		**600,000**	450,000
Fee for half yearly review and review of Code of Corporate Governance		**285,000**	232,500
Out of pocket expenses		**50,000**	50,000
		935,000	732,500
Non-audit services			
Certificates fee		**315,000**	-
		315,000	-
		1,250,000	732,500

	Note	2024 Rupees	2023 Rupees
27 OTHER OPERATING EXPENSES			
Workers' Welfare Fund expense	19.2	**15,173**	28,827
Depreciation on right of use assets	7.4	**-**	391,625
		15,173	420,452

	Note	2024 Rupees	2023 Rupees Restated
28 OTHER INCOME			
Un-winding of interest on long term security deposits	8	**104,303**	24,323
Gain on extinguishment of lease liabilty	18.1	**4,116,482**	-
Remeasurement gain on investments at FVTPL	11	**417**	-
Liability written off		**-**	192,400
		4,221,202	216,723

	Note	2024 Rupees	2023 Rupees
29 OTHER EXPENSES			
Operating fixed assets items written off	5.2	**-**	14,750
Provision for impairment against income tax refundable	15.2	**-**	490,790
Penalties and deductions		**292,571**	928,349
Remeasurement loss on investments at FVTPL		**-**	1,640
		292,571	1,435,529

	Note	2024 Rupees	2023 Rupees Restated
30 FINANCE COST			
Bank service charges		**136,916**	85,989
Interest on lease liabilities	18.1	**9,526,997**	2,103,918
Amortization of deferred cost	9	**104,303**	24,323
		9,768,216	2,214,230

RH2089

		Note	2024 Rupees	2023 Rupees Restated
31	**LEVIES**			
	Final tax u/s 156A		758,670	46,998
	Minimum tax differential		-	1,425,698
			758,670	1,472,696

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

31.2 Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:

	2024	2023
Current tax liability for the year as per applicable tax laws	758,670	1,472,696
Portion of current tax liability as per tax laws, representing income tax under IAS 12	-	-
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(758,670)	(1,472,696)
Difference	-	-

		Note	2024	2023
32	**TAXATION**			
	Current tax:			
	- *Charge for the period*	32.1	-	-
	Deferred tax			
	- *adjustment attributable to origination and reversal of temporary differences*	10.3	957,804	(3,255,354)
			957,804	(3,255,354)

32.1 The income generated by the Company is subject to final tax regime (156A) and as per amendement in accounting standard such taxes are to be recorded as levies in operating expense and relevant restatement for corresponding figures are to be incorporated.

- Reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate and numerical reconciliation between the average tax rate and the applicable tax rate is not provided due to the applicability of final tax (2023: minimum tax).

33 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

Particulars	CHIEF EXECUTIVE		DIRECTORS		EXECUTIVES	
	2024	2023	2024	2023	2024	2023
	Rupees					
Remuneration	**4,080,000**	2,040,000	**4,200,000**	2,100,000	**1,500,000**	1,185,000
Retirement benefits	-	-	-	-	-	-
Bonus	-	-	-	-	-	-
Any other benefit	-	-	-	-	-	-
Total	**4,080,000**	2,040,000	**4,200,000**	2,100,000	**1,500,000**	1,185,000
No of persons	1	1	2	2	1	2

RH2859

	Note	2024 Rupees	2023 Rupees Restated
34 CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax		(31,463,298)	(16,309,811)
Adjustments for non cash and other items:			
Depreciation on property and equipment	5.2	108,355	6,167
Amortization on intangible assets	6.2	314,892	17,298
Finance cost	30	9,768,216	2,214,230
Operating fixed assets items written off	5.1	-	14,750
Gain on extinguishment of liability	18.1	(4,116,482)	-
Un-winding of interest on long term security deposits	28	(104,303)	(24,323)
Workers' Welfare Fund	27	15,173	-
Depreciation on right of use assets	7.4	3,617,737	1,053,783
Provision for impairment against income tax refundable	15.2	-	490,790
Remeasurement (gain)/ loss on investment at FVTPL	27&28	(417)	1,640
		9,603,171	3,774,335
Operating (loss) before working capital changes		(21,860,127)	(12,535,476)
Working capital changes			
Decrease / (increase) in current assets:			
Stock in trade		(7,941,884)	(2,676,798)
Trade and other receivables		21,986,278	(17,605,253)
Advances and prepayments		53,866,112	(41,600,847)
Sales tax refundable		-	112,010
(Decrease) / increase in current liabilities:			
Trade and other payables		(22,307,476)	23,609,697
Due to related parties		2,220,975	3,708,009
		47,824,005	(34,453,182)
Cash inflow/ (outflow) from operating activities:		25,963,878	(46,988,658)
Taxes paid	15.1	-	(118,391)
Long term security deposit paid	8	(1,000,000)	(4,500,000)
Finance cost paid	30	(136,916)	(85,989)
		(1,136,916)	(4,704,380)
Net cash generated from/ (used in) operations	A	24,826,962	(51,693,038)

	2024	2023 Restated
35 LOSS PER SHARE - BASIC AND DILUTED		
Net loss for the year attributable to ordinary shareholders (Rupees)	(32,421,102)	(13,054,457)
Weighted average number of ordinary shares outstanding during the year (Number)	25,000,000	24,194,521
Loss per share (Rupees)	(1.30)	(0.54)

35.1 There is no dilutive effect on the basic earnings per share of the Company.

RH21959

36 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies/undertakings, directors of the Company and key management personnel. Remuneration of key management personnel is disclosed in note 32 to these financial statements. Details of transactions with related parties during the year other than those which have been disclosed elsewhere in these financial statements are stated below:

Name of related party	Nature of relationship	Transaction Details	June 30, 2024	June 30, 2023
			Rupees	
Key Management Personnel:				
Mr. Farhan Abbas Sheikh	Director & Shareholder - % of ownership 27.23% (2023:27.23%)	Amount paid during the year by the Company	-	26
		Shares issued against loan	-	34,080,800
Ms. Fatimah Jamil	Chief Executive Officer & Shareholder	Remuneration paid during the year by the Company	4,080,000	2,040,000
Mr. Abdul Ghaffar	Non-Executive Director	Remuneration paid during the year by the Company	1,560,000	780,000
Mr. Muneeb Ahmed Khan	Non-Executive Director	Remuneration paid during the year by the Company	2,540,000	1,320,000

Name of related party	Nature of relationship	Transaction Details	June 30, 2024	June 30, 2023
			Rupees	
Associated Companies:				
M/s. Modaraba Al-Mali	Common Directorship (Cease to be related party during the previous year)	Expenses incurred on behalf of the Company	-	-
		Amount paid during the year by the Company	-	4
		Transfer of amount due to Oilboy (Private) Limited to Modaraba Al Mali as per instruction of BOD of M/s. Oilboy (Private) Limited.	-	2,374,406
		Shares issued during the year against loan	-	35,869,660
M/s. Energy Traders	Common Directorship 27.23% (2023:27.23%)	Amount paid during the year by the Company against loan	-	900,000
M/s. Oilboy (Private) Limited	Shareholding 5.53%(2023:5.53%)& Common Directorship 27.23% (2023:27.23%)	Expenses paid by the related party on behalf of Company	2,222,895	4,723,907
		Expenses paid by the Company on behalf of related party	1,920	-
		Sale of goods by the Company to related party	-	34,650,711
		Transfer of amount due to Oilboy (Private) Limited to Modaraba Al Mali as per instruction of BOD of M/s. Oilboy (Private) Limited.	-	2,374,406
		Shares issued during the year against loan	-	13,828,720
		Amount paid during the year by the Company against purchase of coal	20,800,000	42,871,142
		Amount received by the Company during the year from related party against trade receivables	21,032,304	-
		Return of advances against sale of coal	20,800,000	-
		Amount received during the year by the Company	-	53,233,397

RHZBSM

OILBOY ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

37 FINANCIAL INSTRUMENT BY CATEGORY

	Note	2024 Maturity upto one year	2024 Maturity after one year	2023 Maturity upto one year	2023 Maturity after one year
		Rupees			
		Non mark-up bearing			
Financial assets					
At amortized cost					
Trade and other receivables	13	-	-	21,986,278	-
Unclaimed dividend		11,041	-	11,041	-
Cash and bank balances	16	12,653,135	-	3,143,255	-
		12,664,176	-	25,140,574	-
Financial assets					
At fair value through profit or loss					
Short-term investments	11	1,337	-	920	-
		1,337	-	920	-
		12,665,513	-	25,141,494	-
		Mark-up bearing			
At amortized cost					
Long term security deposits	8	-	614,314	-	374,572
		-	614,314	-	374,572
		12,665,513	614,314	25,141,494	374,572
		Non mark-up bearing			
Financial liabilities					
At amortized cost					
Due to related parties	20	2,220,975	-	-	-
Unclaimed dividend	21	631,231	-	631,231	-
Trade and other payables	19	4,008,302	-	29,122,965	-
		6,860,508	-	29,754,196	-
		Mark-up bearing			
At amortized cost					
Lease liabilities	18		45,040,944		42,078,658
		-	45,040,944	-	42,078,658
		6,860,508	45,040,944	29,754,196	42,078,658

38 FINANCIAL INSTUMENTS

The gross carrying amounts of the Company's financial instruments by class and category are as follows:

38.1 Financial assets

	Note	2024 Rupees	2023 Rupees
- Financial assets - at fair value through profit or loss			
Short-term investments	11	1,337	920
- Financial assets - at amortized cost			
Long term security deposits	8	614,314	374,572
Trade and other receivables	13	-	21,986,278
Unclaimed dividend		11,041	11,041
Cash and bank balances	16	12,653,135	3,143,255
		13,278,490	25,515,146

	Note	2024 Rupees	2023 Rupees
38.2 Financial liabilities - at amortized cost			
Lease liabilities	18	**45,040,944**	42,078,658
Due to related parties	20	**2,220,975**	-
Unclaimed dividend	21	**631,231**	631,231
Trade and other payables	19	**4,008,302**	29,122,965
		51,901,452	71,832,854

39 FINANCIAL RISK MANAGEMENT

- The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including currency risk, interest rate risk and price risk). These risks affect revenues, expenses and assets and liabilities of the Company.
- The Board of Directors has the overall responsibility for establishment and oversight of risk management framework. The Board of Directors has developed a risk policy that sets out fundamentals of risk management framework. The risk policy focuses on unpredictability of financial markets, the Company's exposure to risk of adverse effects thereof and objectives, policies and processes for measuring and managing such risks. The management team of the Company is responsible for administering and monitoring the financial and operational financial risk management throughout the Company in accordance with the risk management framework.
- The Company's exposure to financial risks, the way these risks affect the financial position and performance, and forecast transactions of the Company and the manner in which such risks are managed is as follows:

39.1 Credit Risk

- Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from long term security deposits, trade and other receivables, advances and prepayments and cash and bank balances.

39.1.1 Credit risk management practices

- In order to minimize credit risk, the Company has adopted a policy of only dealing with creditworthy counterparties and limiting significant exposure to any single counterparty. The Company only transacts with counterparties that have reasonably high external credit ratings. Where an external rating is not available, the Company uses an internal credit risk grading mechanism. Particularly for customers, a dedicated team responsible for the determination of credit limits uses a credit scoring system to assess the potential as well as existing customers' credit quality and assigns or updates credit limits accordingly. The ageing profile of trade receivables and individually significant balances, along with collection activities are reviewed on a regular basis. High risk customers are identified and restrictions are placed on future trading, including suspending future shipments and administering dispatches on a prepayment basis.
- The Company reviews the recoverable amount of each financial asset on an individual basis at each reporting date to ensure that adequate loss allowance is made in accordance with the assessment of credit risk for each financial asset.

RHZB59

- The Company considers a financial asset to have low credit risk when the asset has reasonably high external credit rating or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has no past due amounts or otherwise there is no significant increase in credit risk if the amounts are past due in the normal course of business based on history with the counterparty.
- In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial asset at the reporting date with the risk of a default occurring on the financial asset at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise. This is usually the case with various customers of the Company where the Company has long standing business relationship with these customers and any amounts that are past due by more than 30 days in the normal course of business are considered 'performing' based on history with the customers. Therefore despite the foregoing, the Company considers some past due trade receivables to have low credit risk where the counterparty has a good history of meeting its contractual cash flow obligations and is expected to maintain the same in future.
- The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk.
- The Company considers 'default' to have occurred when the financial asset is credit-impaired. A financial asset is considered to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.
- The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial condition and there is no realistic prospect of recovery.
- The Company's credit risk grading framework comprises the following categories and basis for recognizing impairment allowance for Expected Credit Losses ('ECL') for each category:

Category	Description	Basis for recognizing ECL
Performing	The counterparty has low credit risk	Trade receivables: Lifetime ECL Other assets: 12-month ECL
Doubtful	Credit risk has increased significantly since initial recognition	Lifetime ECL
In default	There is evidence indicating the assets are credit-impaired	Lifetime ECL
Write-off	There is no realistic prospect of recovery	Amount is written-off

- There were no changes in the Company's approach to credit risk management during the year.

RH2089

39.1.2 Exposure to credit risk

- Credit risk principally arises from debt instruments held by the Company as at the reporting date. The maximum exposure to credit risk as at the reporting date is as follows:

Financial assets at amortized cost	2024	2023
	Rupees	
Long term security deposits	**614,314**	374,572
Trade and other receivables	**-**	21,986,278
Unclaimed dividend	**11,041**	11,041
Bank balances	**644,519**	1,340,380
	1,269,874	23,712,271

39.1.3 Credit quality and impairment

- Credit quality of financial assets is assessed by reference to external credit ratings, where available, or to internal credit risk grading. The credit quality of the Company's financial assets exposed to credit risk is as follows:

Financial assets at amortized cost - 2024	External credit rating	Internal credit risk grading	12-month or life-time ECL	Gross carrying amount	Loss allowance
Long term security deposits	N/A	Performing	12-month ECL	614,314	-
Trade and other receivables	N/A	Performing	Lifetime ECL	-	-
		Doubtful	Lifetime ECL	-	-
Unclaimed dividend	N/A	Performing	12-month ECL	11,041	-
Bank balances	See note 38.1.3 (c)	N/A	12-month ECL	644,519	-

Financial assets at amortized cost - 2023	External credit rating	Internal credit risk grading	12-month or life-time ECL	Gross carrying amount	Loss allowance
Long term security deposits	N/A	Performing	12-month ECL	374,572	-
Trade and other receivables	N/A	Performing	Lifetime ECL	21,986,278	-
		Doubtful	Lifetime ECL		-
Unclaimed dividend	N/A	Performing	12-month ECL	11,041	
Bank balances	See note 38.1.3 (c)	N/A	12-month ECL	1,340,380	-

(a) Long term deposits

- These include deposits placed with various individuals against operating lease contracts and do not carry any significant credit risk. Accordingly no loss allowance has been made.

(b) Trade and other receivables

- For trade receivables, the Company has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Company determines the expected credit losses on trade receivables by using internal credit risk gradings. As at the reporting date, trade receivables are considered 'performing' including those past due as there is no significant increase in credit risk in respect of these receivables since initial recognition. The ageing analysis of trade receivables as at the reporting date is as follows:

RHZASS

- **Aging analysis of the trade debts**

Year	Not yet past due	Past due but not impaired				Past due and impaired	Total gross amount
	0 - 60 days	61 - 90 days	91 - 180 days	181 - 365 days	More than 365		
2024	-	-	-	-	-	-	-
2023	21,986,278	-	-	-	-	-	21,986,278

(c) Bank balances

- The bankers of the Company have reasonably high credit ratings as determined by various independent credit rating agencies. Considering their strong financial standing, management does not expect any credit loss. The external credit ratings of the Company's banks are as follows:

Bank	Rating Agency	Rating		2024	2023
		Short Term	Long Term	----- Rupees -----	
Meezan Bank Limited	VIS	A-1+	AAA	352,032	485,246
Faysal Bank Limited	PACRA	A1+	AA	291,629	855,134
Bank Al Habib	PACRA	A1+	AAA	838	-
JS Bank Limited	PACRA	A1+	AA-	20	-

39.1.4 Concentrations of credit risk

- The Company determines concentrations of credit risk by type of counterparty. Maximum exposure to credit risk, as at the reporting date, by type of counterparty is as follows:

Financial assets at amortized cost	2024	2023
	————Rupees————	
Lessor including individuals	**614,314**	374,572
Companies	**11,041**	11,041
Customers	**-**	21,986,278
Banking companies and financial institutions	**644,519**	1,340,380
	1,269,874	23,712,271

- There were no customer (2023: 1 customer) with balance exceeding 10% of total amounts of trade receivable.

39.2 Liquidity risk management

- Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

39.2.1 Liquidity risk management

- The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cashflows, and by matching the maturity profiles of financial assets and liabilities. There were no changes in the Company's approach to liquidity risk management during the year.

RHZBSS

39.2.2 Exposure to liquidity risk

- The following table presents the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The analysis have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

As at June 30, 2024	Carrying Amount	Contractual Cash Flows	Less than One Year	More than one year to five years	More than five years	Total
	Rupees					
Financial Liabilities						
Interest bearing						
Lease liabilities	45,040,944	45,040,944	-	-	45,040,944	45,040,944
Non-interest bearing						
Unclaimed dividend	631,231	631,231	631,231	-	-	631,231
Due to related parties	2,220,975	2,220,975	2,220,975	-	-	2,220,975
Trade and other payables	4,008,302	4,008,302	4,008,302	-	-	4,008,302
Total	**51,901,452**	**51,901,452**	**6,860,508**	**-**	**45,040,944**	**51,901,452**

As at June 30, 2023	Carrying Amount	Contractual Cash Flows	Less than One Year	More than one year to five years	More than five years	Total
	Rupees					
Financial Liabilities						
Non-interest bearing						
Due to related parties	-	-	-	-	-	-
Unclaimed dividend	631,231	631,231	631,231	-	-	631,231
Trade and other payables	29,122,965	29,122,965	29,122,965	-	-	29,122,965
Short term borrowings	-	-	-	-	-	-
Total	**29,754,196**	**29,754,196**	**29,754,196**	**-**	**-**	**29,754,196**

- It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

39.3 Market risk

- Market risk is the risk that changes in market prices, such as currency risk, interest rates and equity prices will affect the Company's income or the value of its holdings of the financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

39.3.1 Currency risk

- Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.
- As at reporting date the Company is not exposed to currency risk as there are no foreign receivables / payables. Accordingly no currency rate sensitivity analysis has been presented.

RH2B89

39.3.2 Other price risk

- Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is exposed to price risk in respect of its investments in equity securities classified at fair value profit or loss. These are held for trading purposes, however, the Company does not actively trade in these investments. The Company is not exposed to commodity price risk. The Company's exposure to other price risk is as follows:

Financial Instruments	2024	2023
Equity instrument - Short-term investments- Designed At Fair Value through Profit & Loss		
First Paramount Modaraba	**515**	248
The Searle Company Limited	**171**	115
Ghani Chemical Industries Limited (Previously it was Service Fabrics Limited)	**651**	557

Sensitivity analysis

- The investment of the Company classified at fair value through profit or loss would normally be affected due to fluctuation of equity prices in the stock exchange . In case of 10% (2023: 10%) increase/decrease in KSE 100 index on June 30, 2024, the net gain/(loss) for the year relating to securities classified at fair value through profit or loss and other components of equity and net assets of the Company would increase / decrease by Rs. 134 (2023: Rs. 92) as a result of gains / losses on equity securities classified at fair value through profit or loss.

- The above analysis is based on the assumption that the equity index had increased / decreased by 10% (2023: 10%) with all other variables held constant and all the Company's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE 100 index, having regard to the historical volatility of the index. The composition of the Company's investment portfolio and the correlation thereof to the KSE index, is expected to change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2024 is not necessarily indicative of the effect on the Company's net assets of future movements in the level of KSE100.

39.3.3 Interest rate risk

- Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(a) Interest rate risk management

- The Company manages interest rate risk by analyzing its interest rate exposure on a dynamic basis. Cash flow interest rate risk is managed by simulating various scenarios taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, the Company calculates impact on profit after taxation and equity of defined interest rate shift, mostly 100 basis points. There were no changes in Company's approach to interest rate risk management during the year.

RH2B59

(b) Interest bearing financial instruments

- The effective interest rates for interest bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest rate profile of financial instruments as at the reporting date is as follows:

Particulars	2024		
	Exposed to Yield / Interest risk	Not exposed to Yield / Interest rate risk	Total
	---- Rupees ----		
Financial assets as per statement of financial position			
Long term secuirty deposits	614,314	-	614,314
Trade and other receivables	-	-	-
Short-term investments	-	1,337	1,337
Unclaimed dividend	-	11,041	11,041
Cash and bank balances	-	12,653,135	12,653,135
Total	614,314	12,665,513	13,279,827
Financial liabilities as per statement of financial position			
Due to related parties	-	2,220,975	2,220,975
Lease liabilities	45,040,944	-	45,040,944
Unclaimed dividend	-	631,231	631,231
Trade and other payables	-	4,008,302	4,008,302
Total	45,040,944	631,231	51,901,452

Particulars	2023		
	Exposed to Yield / Interest risk	Not exposed to Yield / Interest rate risk	Total
	---- Rupees ----		
Financial assets as per statement of financial position			
Long term secuirty deposits	374,572	-	374,572
Trade and other receivables	-	21,986,278	21,986,278
Short-term investments	-	920	920
Unclaimed dividend	-	11,041	11,041
Cash and bank balances	-	3,143,255	3,143,255
Total	374,572	25,141,494	25,516,066
Financial liabilities as per statement of financial position			
Due to related parties	-	-	-
Lease liabilities	42,078,658	-	42,078,658
Unclaimed dividend	-	631,231	631,231
Trade and other payables	-	29,122,965	29,122,965
Total	42,078,658	29,754,196	71,832,854

(c) Fair value sensitivity analysis for fixed rate instruments

- The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

(d) Cash flow sensitivity analysis for variable rate instruments

- As at reporting date, the Company does not hold any variable rate financial instruments.

(e) Future cash flow risk

- Presently, the Company is not exposed to future cash flow risk due to changes in market interest rates.

RHZBSR

40 FAIR VALUE ESTIMATION

- Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

40.1 Fair value hierarchy

- The different levels of fair valuation method have been defined as follows:
  - Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities.
  - Level 2 — Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
  - Level 3 — Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).
- The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred.
- The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:
  - changes in market and trading activity (e.g. significant increases / decreases in activity)
  - changes in inputs used in valuation techniques (e.g. inputs becoming / ceasing to be observable in the market)

40.2 Financial instruments measured at fair value

40.2.1 Recurring fair value measurements

Financial Instruments	Fair Value Hierarchy	Valuation Techniques and Key inputs	2024	2023
			——— Rupees ———	
Equity instrument - Short-term investments- Designed At Fair Value through Profit & Loss				
First Paramount Modaraba	Level 1	Quoted bid prices in an active market - PSX	515	248
The Searle Company Limited	Level 1	Quoted bid prices in an active market - PSX	171	115
Ghani Chemical Industries Limited (Previously it was Service Fabrics Limited)	Level 1	Quoted bid prices in an active market - PSX	651	557
			1,337	920

40.2.2 Non-recurring fair value measurements

There are no non-recurring fair value measurements as at the reporting date.

40.3 Financial instruments not measured at fair value

The management considers the carrying amount of all financial instruments not measured at fair value at the end of each reporting period to approximate their fair values as at the reporting date.

40.4 Assets and liabilities other than financial instruments

There are no such assets and liabilities which are measured at fair value as at the reporting date.

RH2A89

41 CAPITAL RISK MANAGEMENT

- The Company's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the Company's business. The Board of Directors monitors the Return on Capital Employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.
- The Company's objectives when managing capital are:
    a) to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
    b) to provide an adequate return to shareholders.
- The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, if possible, selling surplus property, plant and equipment without affecting the optimal production and operating level and regulating its dividend payout thus maintaining smooth capital management.
- In line with the industry norms, the Company monitors capital on the basis of the gearing ratio.

- As at the reporting date, the gearing ratio of the Company was worked out as under:

	Note	2024 Rupees	2023 Rupees
Total borrowings	A	**45,040,944**	42,078,658
Less: Cash and bank balances	B	**(12,653,135)**	(3,143,255)
Net debt	C=A-B	**32,387,809**	38,935,403
Total Equity	D	**62,930,260**	95,351,362
Total capital Employed	E=C+D	**95,318,069**	134,286,765
Gearing ratio	F=E/C	**33.98%**	28.99%

41.1 Total debt includes long term finances and lease liabilities including current maturity.

41.2 The total equity includes share capital, capital and revenue reserves of the Company. Total capital employed includes total equity plus debt.

41.3 The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

42 CHANGES FROM FINANCING CASH FLOWS

Particulars - June 30, 2024	Issued, subscribed and paid up capital	Share deposit money	Lease liabilities	Due to related parties	Unclaimed dividend	Short term borrowings
	------	------	------ Rupees	------	------	------
As at beginning of the year	250,000,000	-	42,078,658	-	631,231	-
Repayment of lease liabilities	-	-	(3,499,572)	-	-	-
Amount paid during the year by the Company	-	-	-	(20,800,000)	-	-
Amount received during the year by the Company	-	-	-	22,043,435	-	-
Non-cash items						
Expenses paid by the related party on behalf of Company	-	-	-	979,460	-	-
Expenses paid by the Company on behalf of related party	-	-	-	(1,920)	-	-
Effect of remeasurement	-	-	1,051,343	-	-	-
Lease liabilities extinguished	-	-	(4,116,482)	-	-	-
Interest on lease liabilities	-	-	9,526,997	-	-	-
As at end of the year	250,000,000	-	45,040,944	2,220,975	631,231	-

RH2059

Particulars - June 30, 2023	Issued, subscribed and paid up capital	Share deposit money	Lease liabilities	Due to related parties	Unclaimed dividend	Short term borrowings
	Rupees					
As at beginning of the year	100,000,000	-	-	80,071,171	647,731	900,000
Share deposit money received	-	66,220,820	-	-	-	-
Shares issued during the year against cash	66,220,820	(66,220,820)	-	-	-	-
Shares issued during the year against adjustment of loan	83,779,180	-	-	(83,779,180)	-	-
Net addition in current account with related parties	-	-	-	3,708,009	-	-
Repayment of lease liabilities	-	-	(1,550,000)	-	-	-
Repayments of short term borrowings	-	-	-	-	-	(900,000)
Dividend paid	-	-	-	-	(16,500)	-
Non-cash items						
Lease liabilities recognized	-	-	41,524,740	-	-	-
Interest on lease liabilities	-	-	2,103,918	-	-	-
As at end of the year	250,000,000	-	42,078,658	-	631,231	-

43 ENTITY-WIDE INFORMATION AND DISCLOSURES

- For management purposes, the activities of the Company are recognized into one operating segment, i.e. trading of fuel and energy supplies. The Company operates in the said reportable operating segment based on the nature of the product, risk and return, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these financial statements relate to the Company's only one reportable segment. The Company-wide disclosures regarding the reportable segments are as follows:

	Note	2024 Rupees	2023 Rupees
43.1 ***Information about products***			
- Coal		-	88,602,581
- Petroleum products		**206,376,426**	11,866,218
		206,376,426	100,468,799

	2024	2023
43.2 ***Information about major customers***		
- 1 Customers (2023: 3)	**10.17%**	97.40%
43.3 ***Information about geographical areas***		
- Revenue from external customers relate to customers in Pakistan	**100%**	100%

- All non-current assets of the Company are located in Pakistan as at the reporting date.

44 CAPACITY AND PRODUCTION

- Considering the nature of the Company's business, the information regarding production has no relevance whereas product storage capacities at Company's facilities during the current year is detailed below:

Description	Storage Capacity (Litres) 2024	2023
Storage Capacity - Multan Filling Station		
PMG - petrol	59,710	59,710
HSD - diesel	45,460	45,460
Storage Capacity - Sheikhupura Filling Station		
PMG - petrol	53,088	-
HSD - diesel	38,364	-

RH2089

OILBOY ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

45 NUMBER OF EMPLOYEES

- The total number of persons employed as at the year end date and the average number of employees during the year are as follows:

	2024	2023
	(Numbers)	
Number of employees as at June 30,		
- Permanent	8	8
- Contractual	24	14
Average number of employees during the year		
- Permanent	8	4
- Contractual	17	5

46 CORRESPONDING FIGURES

- Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of better presentation and to comply with requirements of accounting and reporting standards (IFRSs) and requirements of the 4th schedule of the Companies Act, 2017, the effects of which are not considered material. Following significant reclassification have been made :

Description	Reclassification from	Reclassification to	2023 Rupees
Salaries and retainership fee	Other payables	Accrued liabilities	124,855
Entertainment expense	Cost of revenue	Administrative expense	49,535

47 AUTHORIZATION OF FINANCIAL STATEMENTS

47.1 These financial statements were approved and authorized for issue on **November 12, 2024** by the Board of Directors of the Company.

48 GENERAL

- Figures have been rounded off to the nearest Pakistan Rupees (PKR), unless otherwise stated.

RH2059

Chief Executive | Director | Chief Financial Officer

Ballot paper for voting through post at the Annual General Meeting to be held on Saturday, December 7, 2024, at 10:00 a.m., at the Registered Office of the Company, at 5-A/1, Off: M.M. Alam Road, Gulberg III, Lahore.

Contact Details of the Chairman, at which the duly filled in ballot paper may be sent:

Business Address: The Chairman, Oilboy Energy Limited, 5-A/1, Off: M.M. Alam Road, Gulberg III, Lahore.

Designated email address: info@oboy.com.pk

Name of shareholder/joint Shareholders	
Registered Address	
Number of shares held and folio number	
CNIC Number (copy to be attached)	

Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (√) mark in the appropriate box below (delete as appropriate);

Sr. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1				
2				

Signature of shareholder(s) Place: ____________________ Date:________________

NOTES:

1. *Dully filled postal ballot should be sent to Chairman at above mentioned postal or email address.*
2. *Copy of CNIC should be enclosed with the postal ballot form.*
3. *Postal ballot forms should reach chairman of the meeting on or before December 6, 2024. Any postal ballot received after this date, will not be considered for voting.*
4. *Signature on postal ballot should match with signature on CNIC.*
5. *Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.*
6. *Company shall draft ballot paper whereby explicit information, terms and conditions and choice of selection is provided and ensure that no confusion arise for voters that may defeat the objective of voting.*

(2) **OILBOY ENERGY LIMITED**
PATTERN OF SHARE HOLDING
AS ON JUNE 30, 2024

SR No.	NO. OF SHARES				No of Shareholders	No of Shares Held
	FROM	TO	CDC	Physical		
1	1	100	148	7	155	2,350
2	101	500	135	18	153	68,363
3	501	1,000	149	3	152	148,349
4	1,001	5,000	308	6	314	946,045
5	5,001	10,000	96	1	97	772,886
6	10,001	15,000	47	-	47	609,518
7	15,001	20,000	30	-	30	545,006
8	20,001	25,000	24	-	24	577,439
9	25,001	30,000	10	-	10	290,903
10	30,001	35,000	15	-	15	486,083
11	35,001	40,000	10	1	11	426,400
12	40,001	45,000	2	-	2	81,500
13	45,001	50,000	15	-	15	747,819
14	50,001	55,000	4	-	4	211,270
15	55,001	60,000	2	-	2	119,500
16	60,001	65,000	2	-	2	126,599
17	70,001	75,000	2	-	2	146,000
18	75,001	80,000	1	1	2	155,900
19	80,001	85,000	2	1	3	248,900
20	85,001	90,000	1	-	1	88,000
21	90,001	95,000	1	-	1	92,500
22	95,001	100,000	3	1	4	397,400
23	100,001	105,000	5	-	5	514,526
24	110,001	115,000	1	-	1	112,500
25	115,001	120,000	1	-	1	118,500
26	120,001	125,000	2	-	2	245,500
27	140,001	145,000	1	-	1	141,500
28	145,001	150,000	1	-	1	150,000
29	150,001	155,000	1	-	1	152,500
30	160,001	165,000	2	-	2	323,500
31	165,001	170,000	3	-	3	510,000
32	195,001	200,000	1	-	1	200,000
33	205,001	210,000	2	-	2	416,000
34	235,001	240,000	1	-	1	236,610
35	245,001	250,000	4	-	4	1,000,000
36	250,001	255,000	1	-	1	253,953
37	295,001	300,000	1	-	1	300,000
38	305,001	310,000	1	-	1	308,000
39	315,001	320,000	1	-	1	316,000
40	345,001	350,000	1	-	1	349,000
41	360,001	365,000	1	-	1	363,506

42	495,001	500,000	1	-	1	500,000
43	800,001	805,000	1	-	1	804,000
44	895,001	900,000	1	-	1	900,000
45	1,300,001	1,305,000	1	-	1	1,304,723
46	1,380,001	1,385,000	-	1	1	1,382,872
47	6,805,001	6,810,000	-	1	1	6,808,080
					1,083	25,000,000

OILBOY ENERGY LIMITED					
CATEGORIES OF SHARE HOLDERS					
AS ON JUNE 30, 2024					
Sr. No.	**Categories of shareholders**	**No of Shareholders**	**Shares held**	**Percentage**	
1	Directors, Chief Executive Officer, and their spouse and minor children.	7	6,810,584	27.24 %	
2	Executive Employees	1	4,500	0.02%	
3	Associated Companies, undertakings and related parties.	1	1,382,872	5.53%	
4	NIT and ICP	0	-	-	
5	Banks Development Financial Institutions, Non-Banking Financial Institutions.	2	123,400	0.49%	
6	Insurance Companies	0	-	-	
7	Modarabas and Mutual Funds	0	-	-	
8	Joint Stock Companies	8	133,905	0.54%	
9	Others	2	121,400	0.49%	
10	General Public	1062	16,423,339	65.69 %	
	Grand Total:	**1083**	**25,000,000**	**100.00%**	
		Nos.*	**Physical**	**CDC**	**Total**
1	Inam Ullah	1	-	4,500	4,500
2	Fatima Jamil Sheikh	1	-	1,250	1,250
3	Farkhanda Abbas	1	-	1,250	1,250
4	Farhan Abbas Sheikh	1	6,808,080	-	6,808,080

5	Muneeb Ahmad Khan	1	1	-	1
6	Muhammad Usman Shaukat	1	1	-	1
7	Saad Liaquat	1	1	-	1
8	Abdul Ghaffar	1	1	-	1
9	Associated Companies	1	1,382,872	-	1,382,872
10	NIT And ICP	0	-	-	-
11	Financial Institute	2	97,400	26,000	123,400
12	Insurance Companies	-	-	-	-
13	Joint Stock Companies	8	78,400	55,505	133,905
14	Mutual Fund	0	-	-	-
15	Others	2	121,400	-	121,400
16	Individuals	1062	36,624	16,386,715	16,423,339
		1083	**8,524,780**	**16,475,220**	**25,000,000**

FORM OF PROXY

Folio No. ____________________
No. of Shares_________________

I/We____
of____
_______being member(s) of DREKKAR KINGSWAY LIMITED
____ hereby appoint
____ of
____failing
him____
as my / our proxy to attend, act and vote for me/ us on my/ our behalf at Annual General Meetings of the members of the Company to be held at 5A/1, Off: M.M. Alam Road, Gulberg-III, Lahore on Saturday December 7, 2024 at 10:00 A.M. and at any adjournment(s) thereof.

Signed this ________ day of November 2024.

Signed/Witnessed by/in the presence of:

1. Signature: ______________________________
   Name: ______________________________
   Address: ______________________________
   CNIC/Passport No. ______________________

2. Signature: ______________________________
   Name: ______________________________
   Address: ______________________________
   CNIC/Passport No. ______________________

The forms of proxy/authorizations from the overseas based or incarcerated individuals/investors must be witnessed by the Pakistani Embassies/High Commissions located in the concerned country or by the Superintendent as per the Pakistan Prison Rules, 1978.

Information required		For Member (Shareholder)	For Proxy	For alternate Proxy (*)
			(If member)	
Number of shares held				
Folio No.				
CDC Account No.	Participant I.D.			
	Account No.			

(*) Upon failing of appointed Proxy.

Affix

Revenue Stamp of Rs. 50/