PAKISTAN LNG LIMITED

ANNUAL REPORT

For the financial year ended June 30, 2024

Contents of Report

COMPANY INFORMATION FOR FY 2023-24 2

BOARD AND COMMITTEE MEETINGS 3

DIRECTORS' REPORT 4

AUDITORS REPORT ALONG WITH FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024 17

AUDITORS REVIEW REPORT ON THE STATEMENT OF COMPLIANCE WITH THE PUBLIC SECTOR COMPANIES (CORPORATE) GOVERNANCE RULES, 2013 18

COMPANY INFORMATION FOR FY 2023-24

Board of Directors Mr. Zafar Abbas (Non-Executive Director / Chairman) Mr. Shahbaz Tahir Nadeem (Non-Executive Director) Mr. Sohail Matin (Independent Director) Mr. Masood Nabi (Acting MD/CEO and Director) Mr. Maqsood Sher (Independent Director) Mr. Aamir Nazir Gondal (Non-Executive Director) **CFO** Mr. Asim Rafat Khan **Company Secretary** Ms. Saman Gul **Auditors** A.F. Ferguson (PwC)	**Registered Office** 9th floor, Petroleum House, Ataturk Avenue, G-5/2, Islamabad, Pakistan **Registration Number** 0096680 **Contact Details** PABX: +92 (51) 9216901 Fax: +92 (51) 9216904 Web Site: www.paklng.com **Bankers** National Bank of Pakistan United Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited Habib Bank Limited Bank Alfalah Limited Askari Bank Limited Bank of Punjab Faysal Bank Limited Meezan Bank Limited **Tax Advisors** A.F. Ferguson (PwC) **Legal Advisors** Arif and Associates

BOARD AND COMMITTEE MEETINGS

The following Board and Committee meetings were held during the FY 2023-24:

1. **Board Meetings:** 16
2. **HR & Nomination Committee:** 03
3. **Audit Committee:** 04
4. **Risk Management Committee:** 0
5. **Procurement Committee:** 01

			Meetings attended				
No.	**Name of Directors**	**Total Remuneration (PKR) ***	**Board Meetings**	**HR & Nomination Committee**	**Audit Committee**	**Risk Committee**	**Procurement Committee**
1	Mr. Hassan Iqbal	400,000	3	1			
2	Mr. Sohail Ahmed	2,400,000	16	3	4		1
3	Mr. Syed Maqsood Sher	2,400,000	16	3	4		1
4	Mr. Zafar Abbas	1,900,000	16	2			1
5	Mr. Amir Nazir Gondal	2,200,000	16	1	4		1
6	Mr. Masood Nabi	1,700,000	16				1
7	Mr. Shahbaz Tahir Nadeem	1,200,000	11	1			
8	Mr. Hassan Yousafzai	300,000	2	1			
	Total	**12,500,000**	**16**	**03**	**04**	**0**	**1**

DIRECTORS' REPORT

DIRECTORS' REPORT FOR THE YEAR ENDED JUNE 30, 2024

The Board of Directors are pleased to present the Directors' Report and the audited Financial Statements of Pakistan LNG Limited (the Company, PLL) together with Auditors' report for the financial year ended June 30, 2024.

INCORPORATION AND OPERATIONS

The Company was incorporated in Pakistan as a public company on December 11, 2015 under the Companies Ordinance, 1984, now the Companies Act 2017. The principal activity of the Company is to import, re-gasify Liquified Natural Gas (LNG) and market, and distribute Re-gasified Liquid Natural Gas (RLNG). The Company's head office is located at 9th floor, Petroleum House, Ataturk Avenue, G-5/2, Islamabad, Pakistan.

Considering consumer demand requirements, the Company currently has a 15-year Term contract with ENI for one cargo a month. The contract ensures a stable supply of LNG to meet consumer demands, specifically of K-Electric & SNGPL. Any further demand raised by downstream consumers is met through the spot LNG purchases from the international market.

After formal approval of the merger by the Government Holdings (Private) Limited (GHPL) Board of Directors, the PLL Board of Directors in its 84th meeting dated December 08, 2020 formally passed the resolution for the amalgamation of PLL and PLTL, with PLL being the surviving entity. The merger was effectuated on January 01, 2021. Further, acknowledgement from the SECP for the merger was received on June 29, 2021.

The Company has signed and executed the Gas Sales Agreement (GSA) with K-Electric in August 2021, with the agreement set to expire in December 2025. RLNG supplies to K-Electric commenced from March 2022. The Company has also agreed the terms of the Gas Sales and Purchase Agreement (GSPA) with Sui Northern Gas Pipelines Limited (SNGPL) for the sale of Re-gasified LNG (RLNG). However, formal execution of the GSPA with SNGPL is pending before OGRA.

The Company and GHPL signed a term sheet for loan facilities on November 22, 2017. The entire loan (principal + interest) was paid off to GHPL during FY 2023-24.

FINANCIAL RESULTS

Overview

The Company witnessed an increase in revenue during the fiscal year 2023-24, mainly driven by higher cargo imports and an average increase in exchange rates during the year.

	2023-24	2022-23	2021-22	2020-21	2019-20
Description	----------------Amount ('000 PKR) ----------------				
Total Revenue	212,766,697	111,508,083	398,579,164	216,913,318	150,886,959
Gross Profit	21,812,008	12,691,048	23,262,485	11,120,499	5,860,958
Profit before Tax / (Loss)	**36,485,556**	**(49,615,120)**	**(27,900,108)**	**14,711,746**	**(2,572,957)**
Taxes	(149,327)	11,670,529	6,163,461	(4,024,956)	(940,501)
Net Income/(Loss)	**36,336,229**	**(37,944,591)**	**(21,736,647)**	**10,686,790**	**(3,513,459)**
Total Assets	**297,567,512**	**272,519,316**	**298,169,841**	**220,316,427**	**190,911,844**
Share Capital	15,000	15,000	15,000	15,000	15,000
Amalgamation Reserve	476,229	476,229	476,229	-	-
Accumulated Profits / (Loss)	(13,988,273)	(50,324,502)	(12,379,911)	9,833,035	(2,712,673)
Total Liabilities	311,064,486	322,352,519	310,058,451	210,468,392	193,609,517
Total Equity & Liabilities	**297,567,512**	**272,519,316**	**298,169,841**	**220,316,427**	**190,911,844**

During the financial year 2023-24, the Company witnessed a sharp increase in revenue of 91% due to the following key variables:

a) An increase of 78% in cargo imports from 09 in FY 2022-23 to 16 in FY 2023-24, resulting in higher RLNG MMBTU sales.
b) An increase of 43% in PSO cargo discharges at Terminal-2, from 24 in FY 2022-23 to 33 in FY 2023-24, resulting in generation of higher regasification margin.
c) An increase of 14% in average exchange rate during the year.
d) The above was slightly offset by a decrease in average RLNG prices of 12% during the year.

The Company posted a net profit of PKR 36.3 billion during FY 2023-24 as compared to the net loss of PKR 37.9 billion during FY 2022-23. The profit during the current year was a result of the following:

a. IFRS 16 implementation, the company recognised a positive impact of PKR 3.2 billion within its profit & loss statement, largely due to higher derecognition of Terminal Charges resulting in reduction in lease related financing costs.
b. A sizeable increase in other income from PKR 1.6 billion in FY 2022-23 to PKR 7.5 billion in FY 2023-24, owing to higher deposits with commercial banks, including TDRs, and higher deposit rates offered by commercial banks.

c. During the year, Arbitration income is recognized with PKR 19 billion received under LICA settlements with Gunvor International (GI), Gunvor Singapore (GS) and PGPCL.
d. A positive impact of PKR 3.6 billion on account of a further recognition of deferred tax asset related to IFRS related asset and liability temporary differences.

IFRS-16 impact on P&L

Stated below is a summary impact of IFRS-16 on the P&L for the year:

Details	FY 2024	FY 2023
Amount in PKR '000		
Profit / (loss) before tax	36,485,556	(49,615,120)
Impact of application of IFRS 16:		
Exchange loss / (gain) on re-translation of liability	2,172,560	50,203,614
De-recognition of terminal charges	(24,274,749)	(21,319,049)
Interest expense on lease liability	8,249,367	7,337,880
Depreciation of right of use asset	10,701,431	10,701,431
Total impact on P&L	**(3,151,391)**	**46,923,876**
Profit / (Loss) before tax without IFRS 16 implication	33,334,165	(2,691,244)
Current tax expense for the year	(7,295,717)	(464,177)
Profit / (Loss) after tax without IFRS 16 implication	**26,038,448**	**(3,155,421)**

Financing costs

The Company incurred financing costs amounting to PKR 8.4 billion (2022-23: PKR 7.7 billion), with a significant portion of PKR 8.3 billion attributable to the recognition of interest expense on the lease liability (IFRS-16). The remaining financing costs of PKR 99 million (2022-23: PKR 310 million) were on account of GHPL working capital and cash lien facilities and charges for issuance of LC/SBLC/FATR facilities by commercial banks.

Interest Income

Interest income increased significantly by 370% from PKR 1.6 billion in FY 2022-23 to PKR 7.5 billion during FY 2023-24. This increase stemmed from higher average daily deposits maintained with commercial banks along with significant increase in KIBOR rates during the year, which continued to increase the deposit rates offered to PLL.

Exchange loss

The Company posted an exchange loss of PKR 700 million during the year from direct operations, owing to consistent depreciation of the Pak rupee during the year. This loss is recoverable through the actualisation of RLNG prices, exercise of which will be carried out by OGRA in subsequent periods. Remaining exchange loss of PKR 2.2 billion is notional in nature and arose from re-translation of lease liability at the year-end (IFRS-16).

Equity balance at the year-end

Due to better receivable management, minimisation of financing costs and significantly higher profits as a result of effective treasury management, PLL has generated a net profit of PKR 36.3 billion during the year, which has pushed PLL's equity balance (without impact of IFRS notional entries) beyond PKR 39 billion. A detailed analysis of equity with and without IFRS impact is given below:

Equity Movement (With & Without IFRS)

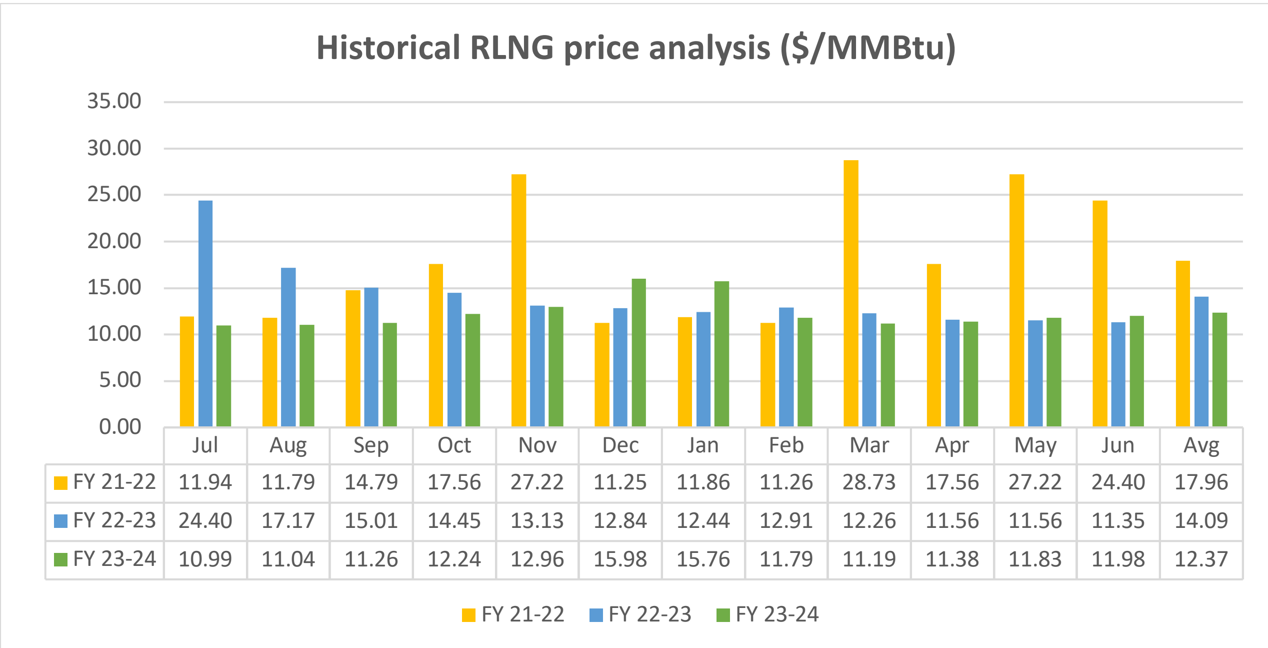
Details	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Amount in PKR '000						
Equity balance	941,095	941,095	800,786	8,526,784	10,942,876	17,112,031	13,956,610
Net profit / loss		(140,309)	(2,243,551)	10,686,790	(21,736,647)	(37,944,591)	36,336,229
IFRS Adjustment	-	-	6,822,242	(6,528,913)	36,537,116	46,923,876	(3,151,391)
Deferred Tax	-	-	3,147,307	(1,741,785)	(8,631,314)	(12,134,706)	(7,146,390)
EQUITY BALANCES							
Equity balance (without IFRS)	**941,095**	**800,786**	**8,526,784**	**10,942,876**	**17,112,031**	**13,956,610**	**39,995,058**
Equity balance (with IFRS)	941,095	800,786	134,137	10,820,927	(12,379,911)	(50,324,502)	(13,988,273)

As evident above, PLL has generated significant funds through its 07 years of commercial operations, which is also evident from the significant funds retained by PLL for liquidity management.

OPERATIONAL HIGHLIGHTS

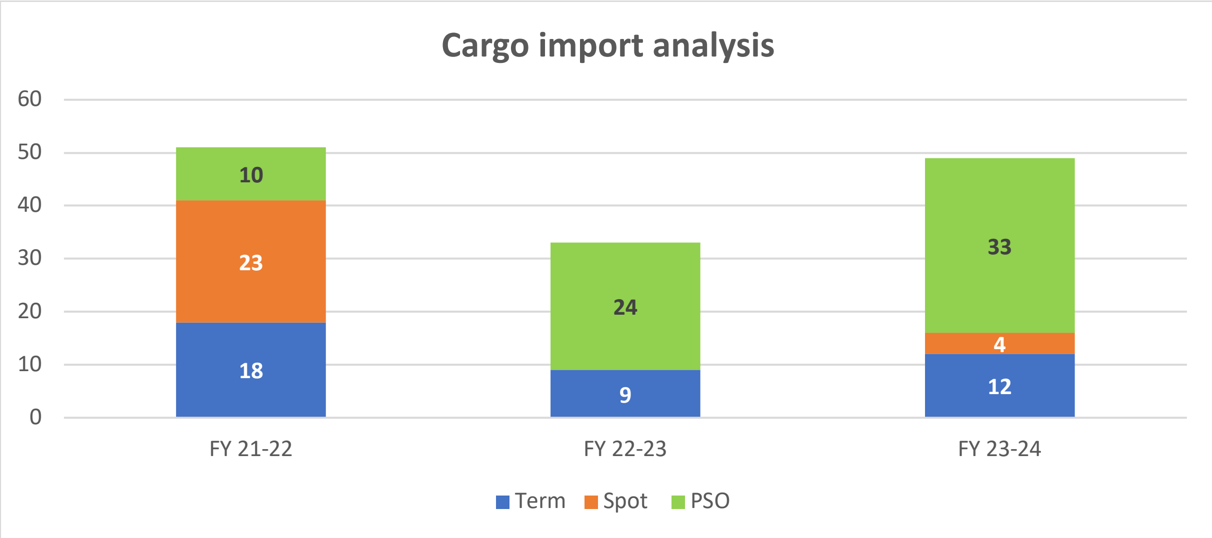
During the financial year 2023-24 the sales prices ranged between USD 10.99/MMBtu to USD 15.98/MMBtu.

Presented below is the RLNG price analysis for the past three fiscal years.



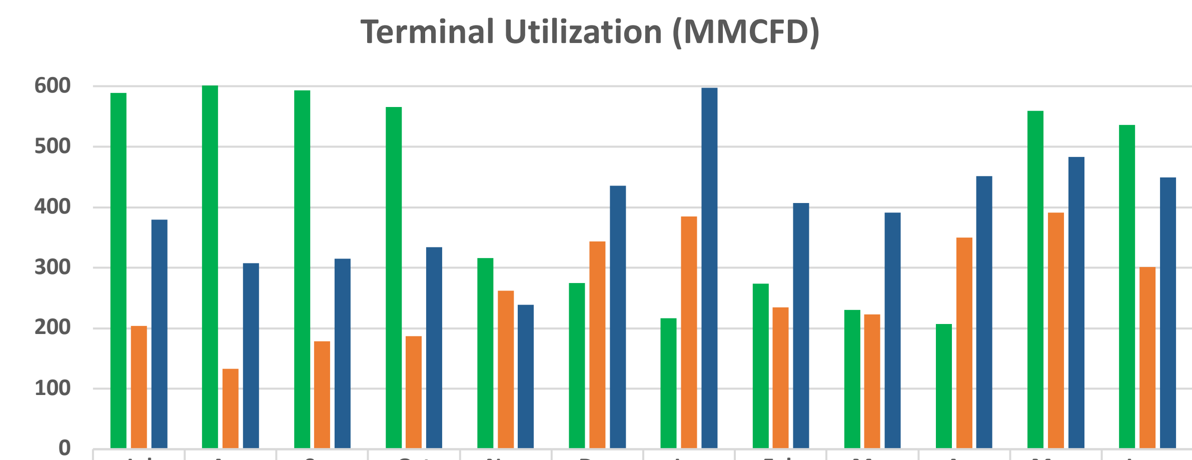
The average OGRA notified RLNG price across the year witnessed an overall decreasing trend, with average RLNG price decreasing by 12.2%, standing at USD 12.37/ MMBtu during FY 2023-24 (FY 2022-23: USD 14.09 / MMBtu). The primary reason for the lower average RLNG price is a decrease in brent prices during the period, resulting in lower term cargo prices.

Cargo Imports



The Company imported 16 cargoes during FY 2023-24 as compared to 09 during FY 2022-23, with the increase in RLNG sales resulting from 04 spot cargo imports due to increase in RLNG demand by SNGPL during winter months. Further, 33 PSO cargoes were also handled at the PLL Terminal, for which PLL does not generate any LNG import margin. The handling of PSO cargo also detrimentally impact PLL's ability to import the requisite cargoes.

Terminal Utilisation

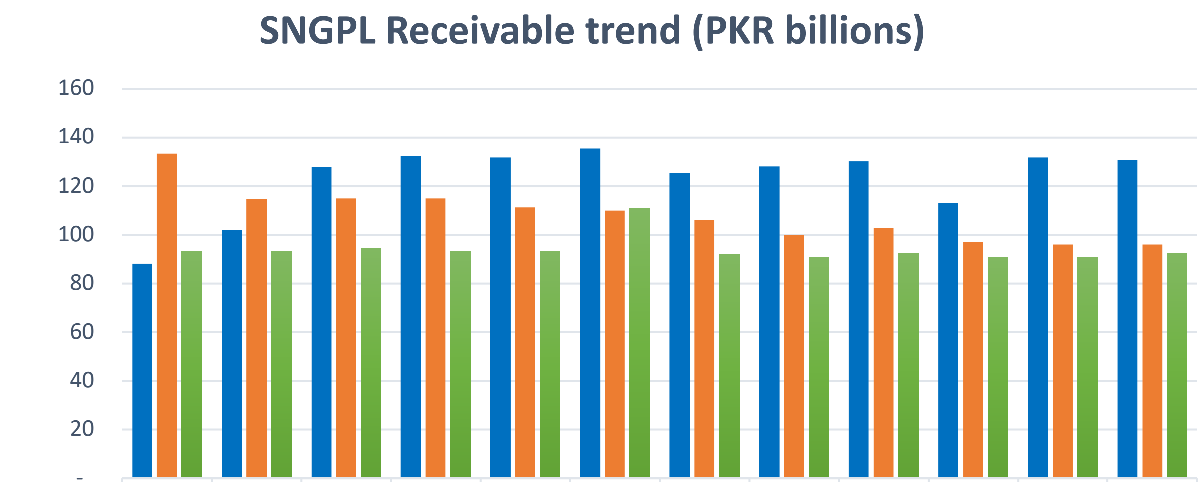


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY 2022	589	601	593	566	316	275	217	273	231	207	559	536
FY 2023	204	133	178	187	262	344	385	235	223	350	391	301
FY 2024	379	308	315	334	239	436	598	407	391	452	483	449

FY 2022 FY 2023 FY 2024

Terminal utilisation increased by 50.1% during the FY 2023-24, wherein average utilisation for financial year stood at 69%, as compared to 47% during the FY 2022-23. As illustrated earlier, this was on account of higher term and spot cargo imports by PLL, coupled with increase in PSO cargo handled during the year.

LIQUIDITY MANAGEMENT AND CASHFLOWS:



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 21-22	88	102	128	132	132	135	126	128	130	113	132	131
FY 22-23	133	115	115	115	111	110	106	100	103	97	96	96
FY 23-24	93	93	95	93	93	111	92	91	93	91	91	92

The average receivables balances from SNGPL witnessed a slight decrease during FY 2023-24, despite significant sales to SNGPL during the year of PKR 82.4 billion. This reduction in SNGPL receivables was due to effective pursuance of recovery by management, ensuring prior to winter month RLNG supply that SNGPL is committed to fully disbursing RLNG amounts to PLL. Due to effective working capital management, the Company had sizeable cashflow available to meet liquidity requirements, further resulting in settlement of entire GHPL financing facility. Further, managements payables on account of ITFC facility increase slightly during the year from PKR 113.9 billion at 30 June 2023 to PKR 120.7 billion as at the current year end. However, ITFC facility has been repaid by PKR 9.2 billion subsequent to the year end. Management did not utilise any working capital facilities from commercial banks owing to better liquidity, resulting in elimination of financing costs.

RLNG sales to K-Electric have not witnessed any deteriorating trend in receivables, as KE has proceeded to make all payments in a timely manner as per contract. The Company has been working closely with all stakeholders for resolution of all prior period receivable balances related to SNGPL.

CORPORATE GOVERNANCE

The Board of Directors has complied with the relevant principles of corporate governance, whereas non-compliances, if any, along with the reasons, are mentioned separately in the Statement of Compliance of this report.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Board of Directors hereby declares that for the year ended June 30, 2024:

- The financial statements, together with the notes thereon, present fairly the Company's state of affairs, results of its operations, cash flows and changes in equity.
- Proper Books of Accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of the financial statements and any departures therefrom has been adequately disclosed and explained.
- The Company has formally adopted internal control systems as per the Accounting & Finance manual of the Company.
- The appointment of Chairman and other members of Board and the terms of their appointment along with the remuneration policy adopted are in the best interest of the Company as well as in line with the best practices.
- Disclosures on remuneration of Chief Executive and Executives as per regulatory guidelines have been stated in the Company's financial statements.
- There are no significant doubts upon the Company's ability to continue as a going concern. The Board of Directors has satisfied itself that the Company has adequate resources to continue its operations in the foreseeable future. The Company's Financial Statements have accordingly been prepared on a 'going concern' basis.
- All statutory payments on account of taxes, duties, levies and charges in the normal course of business, payable as on June 30, 2024, have been cleared subsequent to the year-end.
- The number of Board of Directors and Committees meetings held during the year and attendance by each has been disclosed in the relevant section of this report.
- The pattern of shareholding as at June 30, 2024 remains the same as the previous year and has been given in the relevant section of this Annual Report; and,
- There was no default or likelihood of default in respect of any loan / debt instruments.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company gives prime importance to conducting its business in accordance with best practices. In that regard, the Company has implemented a system of internal control on all major operational functions of the Company. Further, the Company has an established Internal Audit system, which has been further strengthened by the hiring of a Chief Internal Auditor (CIA). The Company is constantly reviewing internal control systems development process for further improvements and any desired changes to improve the reporting process are implemented as deemed necessary.

COMPOSITION OF THE COMMITTEES OF THE BOARD AND THEIR RESPECTIVE TERMS OF REFERENCE (TOR)

Human Resource & Nomination Committee **Members** 1. **Mr. Sohail Matin (Chairman)** 2. **Mr. Maqsood Sher** 3. **Mr. Hassan Iqbal** 4. **Mr. Zafar Abbas** 5. **Mr. Masood Nabi**	**Terms of Reference (TOR)** a) Human Resource Management policies applicable to the entire workforce including recruitment, training, performance management, succession planning and compensation philosophy. b) Selection, evaluation, compensation and succession planning of the CEO. c) Selection, evaluation, compensation of COO (if available). CFO, Company Secretary and the Head of Internal Audit; d) Study and evaluate all HR related issues presented by the Management and formulate concise recommendations for the Board. e) Chairman/MD will present the finalized recommendations to the Board for approval. f) Review MD's performance on annual basis and recommend increment as may deem appropriate. g) Pre-review and endorse performance/potential assessment of GMs directly reporting to the MD; including promotions, demotions, terminations and any other significant actions pertaining to their assignments. h) Review recruitment policy and procedure, review and recommend hiring of executives in GM Grade. i) Review and endorse HR Plan including but not limited to executive training, development, career planning, potential assessment and succession planning. j) The committee will focus on the following tasks to identify and recommend candidates for the Board's approval to fill vacancies as and when they arise: a. Evaluate balance of executive and non-executive directors including independent directors with requisite range of skills, competencies, knowledge and experience. b. Consider candidates on merit with due regard for benefits of diversity on the Board taking care that appointees have enough time available to devote to their positions. c. Oversee the development and implementation of a Board induction process for new directors and a program of continuing director development as needed.
Audit Committee **Members**	**Terms of Reference (TOR)** The responsibilities of the Committee shall include review and oversight of the following:

1. Mr. Maqsood Sher (Chairman) **2. Mr. Aamir Nazir Gondal** **3. Mr. Sohail Matin**	a) Review of the interim and annual financial statements of the Company prior to approval by the Board of Directors, focusing on: a. major judgment areas, b. significant adjustments resulting from the audit, c. the going-concern assumption, and d. significant related party transactions, b) 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; and adjustments resulting from the audit. c) Director's reports and any other published information to ensure that it is consistent with the financial statements. d) Recommending to the Board of Directors the appointment or external auditors by the Company's and any question of resignation or removal or external auditors, audit fees and provision by external auditor of any service to the Company in addition to the audit of its financial statements. e) Ascertain adequacy and effectiveness of the internal control system including financial and operational controls, accounting system and reporting structure. f) Monitoring compliance of relevant statutory requirements and with the best practices of corporate governance. g) Institute special projects, value for money studies or other investigations on any matters specified by the Board of Directors. h) Any changes in accounting policies and practices. i) Compliance with applicable accounting standards and other statutory and regulatory requirements. j) Compliance with management control standards and Company policies including audit ethics. k) The continuing suitability of the organization structure at all levels to the exercise of sound internal control and related training needs. l) Review of scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company. m) Determination of appropriate measures to safeguard Company's assets and their performance including post facto review of major investment projects and programs. n) Instituting special projects, value for money studies or other investigations on any matter specified by the BOD, in consultation with the Chief Executive and to consider remittance of any matter to the External Auditors or to any other external body. o) Review the exposure of the Company to risks and any matters that might have a material effect on the Company's financial position. p) Review internal auditor's finding and recommendations including major findings of internal investigations under whistle-blowing policy and protection mechanism.
Risk Management Committee **Members**	**Terms of Reference (TOR)** The committee assists the Board on the Company's overall risk appetite, tolerance, and strategy through the following responsibilities: a) Oversee and advise the Board on the current risk exposures of PLL, appropriate determination of risk appetite and future risk strategy, as regards

1. Mr. Aamir Nazir Gondal (Chairman) **2. Mr. Maqsood Sher** **3. Mr. Shahbaz Tahir Nadeem** **4. Mr. Masood Nabi**	to strategic, operational, financial and compliance, conduct and reputation risks. b) Review and approve the risk management policies and plans. c) Timely monitoring of large exposures and risk types of critical importance, and d) Overseeing that the Management has identified and assessed all the risks and established risk management and mitigation policies. e) Review and monitor management's responsiveness to the findings and recommendations of the Chief Financial Officer (CFO) in relation to risk register maintained by the Company. f) Review reports on any material breaches of risk limits and the adequacy of proposed action. g) Before a decision to proceed is taken by the Board, advise the Board on proposed strategic transactions including acquisitions or disposals ensuring that a due diligence appraisal of the proposition is undertaken, and taking independent external advice where appropriate and available. h) Review and approve the statements to be included in the annual report concerning risk management.
Procurement Committee **Members** **1. Mr. Aamir Nazir Gondal (Chairman)** **2. Mr. Masood Nabi** **3. Mr. Zafar Abbas** **4. Mr. Sohail Matin** **5. Mr. Maqsood Sher**	**Terms of Reference (TOR)** The committee ensures transparency in procurement and dealing with suppliers/ service providers through the following responsibilities: a) Serves as an advisory forum to suggest measures to streamline and expedite procurement of goods and services. b) Monitor procurement process and ensure that procurement process is in compliance with public procurement rules and meeting with strategic business needs. c) Review and recommend to the Board award or high value contracts. The Committee will determine the financial threshold of the "high value contracts". d) Provide guidance to the management when asked for procurement strategy in special cases. e) Procurement policies/procedures for procurement of goods/ services/ works and recommend changes for improvement. f) The Committee ensures transparency in procurement and dealing with suppliers/ service providers. g) Review and decide special cases of procurement referred by the Management. h) Review and approve awards of Contracts. i) Review: (a) the Annual Procurement Plan; (b) any changes to financial authorities relating to procurement; and (c) any Updates/ changes made in the procurement plan, procurement process, etc. j) Ensuring compliance with applicable laws while procuring goods and services; k) Any other assignment given by the BOD.

PATTERN OF SHAREHOLDING

The Company is the fully owned subsidiary of GHPL which is 100% owned by Government of Pakistan. All the members on the Board of Directors are nominated by the Government of Pakistan.

DIVIDEND

Dividend was neither paid nor recommended during the year.

EARNING PER SHARE (EPS)/LOSS PER SHARE(LPS)

EPS of the company for financial year ended June 30, 2024, is PKR 24,224 as against LPS of PKR (25,296) as of June 30, 2023. However, EPS without taking the notional impact of IFRS-16 remained at PKR 17,359 as of June 30, 2024, as compared to LPS of PKR (2,104) as of June 30, 2023.

AUDITORS' OBSERVATION

The Auditors have issued un-qualified report for the year ended June 2024.

AUDITORS

The present auditors, M/s A.F. Ferguson (PwC), have provided their consent to act as group auditors for FY 2024-25. Accordingly, the matter of external auditors' appointment will be brought before the Board of Directors after approval at the group level.

EVENTS SUBSEQUENT TO BALANCE SHEET DATE

Subsequent to the Balance Sheet date OGRA has notified the actual RLNG pricing from December 2017 to June 2022. This information is disclosed in Note 23.2 (ii) of the Financial Statements.

KEY RISKS / ISSUES

Delay in payments by SNGPL

As per agreed terms, PLL's invoices are payable by SNGPL within eight (08) days of receipt of invoice. However, as per trends observed, current SNGPL receivable at the year-end stands at more than 700 days in relation to RLNG sales invoices, which has resulted in delayed clearance of ITFC payables to the GoP. Although, PLL maintains constant communication with SNGPL and other stakeholders to apprise them of the payment issues in a timely manner, a long-term solution for clearance of such receivables associated with the circular debt in Pakistan is still pending to alleviate these concerns.

PSO cargo imports on Terminal-2

Under the current Tripartite Agreement with PSO & SNGPL, PSO is continuing to discharge LNG cargoes at PGPCL Terminal, with imports standing at 33 cargoes for the current year. However, PLL does not get equitable reward of risk associated with handling of PSO cargoes, which significantly reduces the Company's overall profitability and value per share. Matter has been taken up with OGRA at Ministry level for favourable outcome. Management has also proposed a benchmark margin for consideration by the Ministry.

SIGNIFICANT MILESTONES ACHIEVED

Adjustment of 100% input sales tax

Since FY 2019-20, PLL has been unable to adjust 100% of its sales tax liability against the refund available, which had continued to result in a consistent increase in the sales tax refund year-over-year. PLL kept pursuing the matter through Ministry of Energy (Petroleum Division) and Ministry of Finance, to assert on receiving the relief through Finance Act. In order to further resolve the issue, PLL filed a writ petition with the Honourable Islamabad High Court (IHC) to alleviate PLL's concerns. The IHC has, vide its order dated September 26, 2023 directed FBR to accord PLL an opportunity to assess PLL's case and provide its resolution / view on the matter within 2 months. FBR accordingly notified amendment in SRO 1190 in Feb-2024, by including PLL's name in entities allowed 100% exemption, resulting in recovery of PKR 3.9 billion in sales tax refunds during FY 2023-24. Management is confident that remaining refund of PKR 7.7 billion as at 30 June 2024 will be recovered over the course of 2-3 years.

Recovery of excess income taxes paid

Due to strong growth in Profit before Taxes (PBT), PLL has been able to compute its income tax liability on the basis of corporate tax for FY 2023-24. This has resulted in recovery of prior year taxes amounting to PKR 1.7 billion. Based on projections, PLL will continue to compute income tax under Normal Tax Regime (NTR) over the next 2 years, resulting in complete adjustment of prior year income tax credits. The tax credits have also been offered to GHPL under Group Tax adjustment, and based on GHPL utilisation of such credits, it will further expedite PLL's recovery of such amounts. An illustration of PLL's tax credits for prior period and their related adjustment is given below:

PKR

Year	Minimum Tax	Tax paid	Corporate +Super tax	Difference	Amount adjusted	Balance	Expiry date
2018-19	2,243,470,841		508,030,416	1,735,440,425	1,687,883,941	47,556,484	2023-24
2019-20	2,263,304,394	1,498,738,496	1,101,970,839	1,161,333,555	-	1,161,333,555	2024-25
2020-21	3,253,699,776	2,186,048,495	2,020,363,315	1,233,336,461	977,591,479	255,744,982	2023-24
2021-22	4,982,239,555	4,452,571,631	2,541,153,787	2,441,085,768	-	2,441,085,768	2024-25
2022-23	1,393,851,037	952,556,899	-	1,393,851,037	-	1,393,851,037	2025-26
2023-24	2,659,583,713	2,976,065,682	5,256,829,154	-			
				7,965,047,246	**2,665,475,420**	**5,299,571,826**	

Settlement of Gunvor International arbitration

During the year, management settled its last pending LCIA arbitration with Gunvor International for USD 59.2 million on account of damages and a further USD 10.7 million on account of Port Charges, excluding lawyer fees reimbursed by Gunvor. This recovery has significantly boosted PLL's cashflow position and given that such amounts have to be adjusted in the revised notification of actualisation of RLNG prices up till Jun-2022.

FUTURE OUTLOOK

The Company is committed to fulfilling the energy and gas crisis currently hampering the country's economic growth, whilst ensuring the financial and commercial viability of the Company. The presence of an already established strong gas industry provides a significant base for future growth in LNG sales. This fact is reflected in the Company estimates that LNG demand within the country can be reasonably estimated to increase significantly over the next few years based on the following:

a) Depletion of indigenous gas resources which will subsequently lead to higher demand of LNG;
b) Lifting of moratorium on new gas connections in the industry, commercial section, private housing societies etc.;

Despite challenging market procurement conditions and overall macro-economic environment in Pakistan, LNG demand remains high in the country. It is a fact that there will be seasonal variations in the RLNG requirement, which will result in variations in PLL's RLNG supplies, however, the overall trend depicts a sustainable growth pattern.

ACKNOWLEDGEMENT

The Board would like to express their gratitude to the Ministry of Energy (Petroleum Division) for continuous assistance and cooperation extended to the Company in the respective matters. The Board acknowledges and deeply appreciates employees' contribution towards achievement of the Company's goals.

MD / CEO

Chairman

AUDITORS REPORT ALONG WITH FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Pakistan LNG Limited
Annual Audit for the Year Ended
June 30, 2024

pwc

A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REPORT

To the members of Pakistan LNG Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Pakistan LNG Limited (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and other 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 a summary of 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 and other 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 profit 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.

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 for the year ended June 30, 2024 but does not include the financial statements and our auditor's reports 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.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
74-East, 2nd Floor, Blue Area, Jinnah Avenue, P.O.Box 3021, Islamabad-44000, Pakistan
Tel: +92 (51) 2273457-60/2604934-37; Fax: +92 (51) 2277924; <www.pwc.com/pk>

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.

- 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.

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 and other 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 Mr. JehanZeb Amin.

A.F.Ferguson & Co.

Chartered Accountants
Islamabad
Date: February 28, 2025
UDIN: AR202410083W2VMEsHRk

PAKISTAN LNG LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	2024	2023
ASSETS		---------------- Rs '000	----------------
Non current assets			
Property and equipment	6	34,731	18,451
Right of use assets	7	90,962,165	101,663,596
Intangible assets	8	94	251
Deferred tax assets	9	31,435,143	24,288,753
		122,432,133	125,971,051
Current assets			
Stock in trade	10	2,614,235	8,483,425
Advances and prepayments		139,895	871,572
Recoverable from tax authorities	11	12,119,550	13,815,369
Trade receivables	12	98,977,828	101,288,269
Other receivables	13	3,097,035	2,895,544
Short term investments	14	12,054,767	3,169,542
Cash and bank balances	15	46,132,069	16,024,544
		175,135,379	146,548,265
TOTAL ASSETS		297,567,512	272,519,316
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital		1,000,000	1,000,000
(100,000,000 ordinary shares of Rs. 10 each)			
Capital reserves			
Issued, subscribed and paid-up capital	16	15,000	15,000
Reserve on amalgamation	17	476,299	476,299
Revenue reserves			
Accumulated losses		(13,988,273)	(50,324,502)
Total equity		(13,496,974)	(49,833,203)
Non current liabilities			
Deferred employees' benefits	18	32,163	20,593
Loan from Parent Company - unsecured	19	-	2,530,156
Lease liability	20	154,489,228	169,165,917
		154,521,391	171,716,666
Current liabilities			
Current portion of loan from Parent company - unsecured	19	-	1,504,462
Current portion of lease liability	20	17,075,868	16,252,001
Payable to Government	21	120,668,279	113,898,102
Trade and other payables	22	18,798,948	18,981,288
		156,543,095	150,635,853
Total liabilities		311,064,486	322,352,519
TOTAL EQUITY AND LIABILITIES		297,567,512	272,519,316
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes 1 to 37 form an integral part of these financial statements.

Chief Executive Officer | **Director**

PAKISTAN LNG LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		Rs '000	Rs '000
Revenue from contracts with customers - net	24	212,766,697	111,508,083
Cost of sales	25	(190,954,689)	(98,817,035)
Gross profit		21,812,008	12,691,048
Administrative expenses	26	(551,538)	(476,839)
Arbitration income / (expense) - net	27	19,028,049	(190,112)
Other income	28	7,542,161	1,497,040
Exchange loss		(2,997,058)	(55,475,515)
Finance cost	29	(8,348,066)	(7,660,742)
Profit / (loss) before taxation		36,485,556	(49,615,120)
Taxation	30	(149,327)	11,670,529
Profit / (loss) after taxation		36,336,229	(37,944,591)
Other comprehensive income - net of tax		-	-
Total comprehensive income / (loss)		36,336,229	(37,944,591)

The annexed notes 1 to 37 form an integral part of these financial statements.

Chief Executive Officer

Director

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

	Note	2024	2023
		---------------- Rs '000	----------------
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before tax		36,485,556	(49,615,120)
Adjustments for:			
Depreciation on property and equipment	26	13,826	9,589
Depreciation on right of use assets	7	10,701,431	10,701,431
Amortization intangible assets	26	157	234
Provision for gratuity	18.2	34,893	43,606
Provision for leave encashment	18.3	25,555	10,674
Interest expense	29	8,295,452	7,648,414
Unrealized exchange (gain) / loss		2,172,560	50,218,029
Interest income	28	(7,425,701)	(1,585,583)
		50,303,729	17,431,274
Changes in:			
Advances, prepayments and other receivables		731,677	(747,414)
Trade and other receivables		2,644,103	28,586,183
Recoverable from tax authorities		423,287	367,995
Accrued interest		-	158,097
Stock in trade		5,869,190	7,237,162
Trade and other payable		(182,341)	(16,044,832)
		9,485,916	19,557,191
Cash generated from operations		59,789,645	36,988,465
Employee benefits paid		(48,878)	(46,087)
Income taxes paid		(6,023,185)	(1,197,827)
Interest paid on delayed payment		-	(47,510)
		(6,072,063)	(1,291,424)
Net cash flows from operating activities		53,717,582	35,697,041
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	6	(30,252)	(14,990)
Net investment in short term investments		(8,192,437)	-
Proceeds from sale of property and equipment		147	59
Interest received		7,425,701	1,501,116
Net cash flows generated from investing activities		(796,841)	1,486,185
CASH FLOWS FROM FINANCING ACTIVITIES			
Government loan receipts	21	17,887,410	5,743,542
Repayment against Government loan	21	(11,117,233)	(12,410,603)
Lease rentals paid	20	(24,274,749)	(21,319,049)
Repayment of loan from Parent Company		(4,010,103)	(1,474,153)
Net cash flows used in financing activities		(21,514,675)	(29,460,263)
NET INCREASE IN CASH AND CASH EQUIVALENTS		31,406,066	7,722,963
Cash and cash equivalents at the beginning of the year		19,352,183	11,629,220
Cash and cash equivalents at the end of the year		50,758,249	19,352,183
Short-term investments marked with lien for bank guarantee		(3,500,742)	(3,169,542)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	15.2	47,257,507	16,182,641

The annexed notes 1 to 37 form an integral part of these financial statements.

Chief Executive Officer

Director

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

	Capital reserves		Revenue reserve	
	Share capital			
	Issued, subscribed and paid up capital	Reserve on amalgamation	Accumulated losses	Total
	Rs '000			
Balance as at July 1, 2022	15,000	476,299	(12,379,911)	(11,888,612)
Total comprehensive income / (loss)				
Profit / (loss) for the year	-	-	(37,944,591)	(37,944,591)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income / (loss) for the year	-	-	(37,944,591)	(37,944,591)
Balance as at June 30, 2023	15,000	476,299	(50,324,502)	(49,833,203)
Balance as at July 1, 2023	15,000	476,299	(50,324,502)	(49,833,203)
Total comprehensive income / (loss)				
Profit / (loss) for the year	-	-	36,336,229	36,336,229
Other comprehensive income for the year	-	-	-	-
Total comprehensive income / (loss) for the year	-	-	36,336,229	36,336,229
Balance as at June 30, 2024	15,000	476,299	(13,988,273)	(13,496,974)

The annexed notes 1 to 37 form an integral part of these financial statements.

Chief Executive Officer

Director

PAKISTAN LNG LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND OPERATIONS

1.1 Pakistan LNG Limited (the Company) was incorporated in Pakistan as a public company on December 11, 2015 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company's registered office is located at 9th floor, Petroleum House, Sector G-5, Islamabad, Pakistan. The Company commenced its LNG regassification operations on January 4, 2018. The Company operates under the governance of the Ministry of Energy (Petroleum Division), Government of Pakistan ("GoP"). The Company is a wholly owned subsidiary of Government Holdings Private Limited ("GHPL" / the Parent Company). The principle activity of the Company is to import, transport, market, regasify and distribute Liquified Natural Gas (LNG) and Regasified Liquified Natural Gas (RLNG). The Company has principally agreed the major terms of Gas Sales and Purchase Agreement (GSPA) with Sui Northern Gas Pipelines Limited "SNGPL" and K-Electric "KE" (the Buyers) for sale of RLNG. The agreement with K-Electric is set to expire on December 31, 2025 with an option to extend it further.

1.2 Ministry of Energy (Petroleum division) vide its letter dated January 2, 2020 conveyed the formal decision of ECC and Cabinet for merger of then operational, Pakistan LNG Terminals Limited (PLTL), a wholly owned subsidiary of the Parent Company with the Company under section 284(2)(a) of Companies Act, 2017. The assets and liabilities of PLTL were transferred at their carrying amounts and reflected in financial statements of the Company, at the date of common control transaction i.e. January 01, 2021.

2 STATEMENT OF COMPLIANCE

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

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

- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from IFRS standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 NEW AND REVISED STANDARDS AND INTERPRETATIONS

3.1 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2024
IAS 7	Statement of Cash Flows (Amendments)	January 1, 2024
IFRS 16	Leases (Amendments)	January 1, 2024
IAS 21	The Effects of changes in Foreign Exchange Rates (Amendments)	January 1, 2025
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2026
IFRS 17	Insurance Contracts	January 1, 2026
IFRS 9	Financial Instruments – Classification and Measurement of Financial Instruments (Amendments)	January 1, 2026

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentation / disclosures.

Further, the following standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: discloures
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	Climate-related Disclosures

The following interpretation issued by the IASB has been waived off by SECP:

IFRIC 12 Service concession arrangements

4 MATERIAL ACCOUNTING POLICY INFORMATION

The Company adopted the amendment to IFRS regarding disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements from July 1, 2023 onwards. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

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

4.1 Basis of measurement

These financial statements have been prepared on the historical cost convention except for certain items as disclosed in the relevant accounting policies below.

The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of Expected Credit Loss model in respect of financial assets due directly ultimately from Government of Pakistan (GoP) till December 31, 2024. Accordingly, the Company reviews the recoverability of its trade debts that are due directly ultimately from the GoP to assess whether there is any objective evidence of impairment as per requirements of IAS 39 'Financial Instruments: Recognition and Measurement' at each reporting date.

The Company has overdue receivables on account of inter-corporate circular debt. These overdue balances are receivable from gas supply and power companies. The Government of Pakistan (GoP) is committed, hence continuously pursuing for satisfactory settlement of inter-corporate circular debt issue. However, the progress is slower than expected resulting in accumulation of Company's debts. Inter-corporate circular debt in Pakistan arises due to delayed payments in the energy sector supply chain; the GoP either directly or through its direct / indirect ownership of entities within energy sector supply chain is at the core of circular debt issue. The Central Power Purchase Agency (CPPA), a government owned entity, is sole power purchaser for the Country and the circular debt is a shortfall of payments primarily at the CPPA, however, in case of gas distribution and transmission companies the shortfall also occurs because of a delay in receipts of subsidies from the GoP for supply of gas to certain domestic / industrial consumers.

Settlement of the Company's receivables is slower than the contractual terms primarily because circular debt is a macro economic level issue in Pakistan and its level at any given time is dependent on policies and / or priorities of the GoP, the level of subsidies offered by the GoP to certain domestic and industrial consumers, exchange rate fluctuations, global crude oil prices and certain other systemic issues within energy sector (tariffs, losses, non / delayed recoveries).

The Company's assessment of objective evidence of impairment with respect to over due amounts on account of intercorporate circular debt takes into account commitment made by the GoP, enforceable contractual rights to receive compensation for delayed payments and plans of the GoP to settle the issue of inter-corporate circular debt.

The Company has enforceable contractual right and is entitled to charge interest if payments from customers are delayed beyond credit terms, however considering the uncertainties relating to recoverability of interest, the Company recognizes interest, if any, on delayed payments from customers, on investments and lease arrangements when the interest on delayed payments is received by the Company.

4.2 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. The financial statements are presented in Pakistani Rupees, which is the Company's functional currency.

4.3 Foreign currency transactions and balances

Transactions in foreign currencies are converted into Pakistani Rupees at the rates of exchange ruling on the date of the transaction. All monetary assets and liabilities denominated in foreign currencies at the year end are translated at exchange rates prevailing at the statement of financial position date. Exchange differences are dealt with through the profit or loss statement.

4.4 Property and equipment

These are initially recognized at cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management. These assets are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses, if any.

The cost includes the cost of replacing parts of the equipment when that cost is incurred, if the recognition criteria are met. Depreciation is charged using the straight line method over the useful life of the asset at the rates specified in note 6 when assets are available for use. Maintenance and normal repairs are charged to profit or loss for the year as and when incurred, while major renewals and improvements fulfilling the capitalization criteria are capitalized.

Property and equipment are derecognized either on disposal or when no future ecenomic benefit are expected from its use or disposal. Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with carrying amount of the related assets and are recognized net within "other income" in statemet of profit or loss.

4.5 Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to amortization or depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of its 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 statement of financial position date. Reversals of the impairment losses are restricted to the extent that assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognized. An impairment loss or reversal of impairment loss is recognized in the statement of profit or loss.

4.6 Lease liability and right-of-use asset

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 recognized 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.

Lease liability

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 include fixed payments, variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

Right of use asset

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. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Short term leases and leases of low-value assets

The Company applies the short term lease recognition exemption to its short-term leases with lease term of 12 months or less from the commencement date. It also applies low-value asset recognition exemption of leases that are considered of low value. Lease payments on such leases are recognized as expense on straight line basis over the lease term

IFRS 16 requires the Company to assess the lease term as the non-cancellable lease term in line with the lease contract together with the period for which the Company has extension options which the Company is reasonably certain to exercise and the periods for which the Company has termination options for which the Company is not reasonably certain to exercise those termination options.

The reasonably certain period used to determine the lease term is based on facts and circumstances related to the underlying leased asset and lease contracts and after consideration of business plan of the Company which incorporates economic, potential demand of customers and economic changes.

4.7 Taxation

Current

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the statement of financial position. Management periodically evaluates positions taken in tax returns, with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred

Deferred tax is computed using the statement of financial position liability method for all temporary differences at the reporting date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, excess of minimum tax paid over corporate tax liability and carry forward unused tax losses, if any to the extent that it is probable that taxable profit will be available against which such deductible temporary differences and tax losses can be utilized.

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

Group taxation

The Company is taxed as a one fiscal unit along with Parent Company and its other wholly owned subsidiaries under the Income Tax Ordinance, 2001. Current and deferred income taxes are recognized by each entity within the Group in their respective statement of comprehensive income, regardless of who has the legal rights or obligation for the recovery or payment of tax from or to the tax authorities. However, tax liability / receivable is shown by the parent based on annual tax computation, who has the legal obligation to pay or right of recovery of tax from the taxation authorities. Balances between the group entities on account of group tax is shown as other receivable / liability by the Company.

Income tax expenses are recognized by each entity allocating the group tax expense assessed on consolidated taxable income using the basis agreed between all group entities. Balances between the group entities on account of group tax is shown as receivable / liability by the respective group entities considering the allocated tax expenses and payment made by each entity.

4.8 Minimum tax - Levy

In accordance with the application guidance issued by the Institute of Chartered Accountants of Pakistan (ICAP) relating to IAS-12 "Income taxes", any amount in excess of normal tax liability and not based on taxable income is to be treated as a levy. Accordingly, the Company classifies any amount over and above the normal tax as per the enacted tax laws as minimum tax differential and same is treated as levy in term of IAS 37 "Provisions, contingent liabilities and contingent assets" and IFRIC 21 "Levies" and not treated as part of income tax balances if any to be recognised under IAS-12.

4.9 Intangible assets

An intangible asset is recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and that the cost of such asset can also be measured reliably. Intangible assets having definite useful life are stated at cost less accumulated amortization and are amortized based on the pattern in which the assets' economic benefits are consumed.

Amortization is charged on a straight line basis over the estimated useful life and is included in statement of profit or loss. Intangible assets which have indefinite useful life are not amortized and tested for impairment annually, if any.

Intangibles are derecognized either on disposal or when no future ecenomic benefit are expected from its use or disposal. Gains and losses on disposal of an intangibles are determined by comparing the proceeds from disposal, if any, with carrying amount of the related assets and are recognized net within "other income" in statemet of profit or loss.

4.10 Stock in trade

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on FIFO basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Net realizable value signifies the estimated selling price in the ordinary course of business less all estimated costs of completion and costs necessarily to be incurred in order to make the sales. Provision is made for slow moving and obsolete stocks, where considered necessary.

4.11 Recoverable from tax authorities

This represents the amounts receivable from the tax authorities against the amount overpaid or unadjusted against the income tax and sales tax respectively.

Advance tax is paid by the Company at imports and withheld by the prescribed persons under the Income Tax Ordinance, 2001 from the payments made to the Company. At the period end, when the income tax liability is computed, the over and above portion of the advance tax paid over the assessed tax liability gives rise to the adjustable or refundable tax.

4.12 Financial instruments

The Company recognizes financial assets and financial liabilities on the date when they are originated. Trade and other receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

4.12.1 Financial assets

The Company classifies its financial assets in the following measurement categories:

a) Amortized cost where the effective interest rate method will apply;
b) Fair value through profit or loss (FVTPL); and
c) Fair value through other comprehensive income (FVTOCI)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or statement of other comprehensive income (OCI). For investments in equity instruments that are not held for trading, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVTOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

(a) Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other operating gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

(b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit or loss and recognized in other income/charges. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/charges and impairment expenses are presented as separate line item in the statement of profit or loss.

(c) Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in the statement of profit or loss and presented net within other operating gains/(losses) in the period in which it arises.

De-recognition of financial assets

A financial asset (or, where applicable part of a financial asset or part of a group of similar financial assets) is 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 passthrough arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset.

In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its debt instruments carried at amortized cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Following are financial instruments that are subject to the ECL model:

- Trade receivables and other receivables
- Loans, advances, and other receivables
- Cash and bank balances
- Accrued interest receivable
- Loans to subsidiaries and staff
- Receivable from Government of Pakistan (GoP)
- Short term investments

General approach for loans, advances, and other receivables, cash, and bank balances, deposits, short term investments, loans to subsidiaries and staff and receivable from Government of Pakistan

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. The magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. In the absence of a change in credit rating, allowances are recognized when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognized without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

Simplified approach for trade debts

The Company recognizes life time ECL on trade debts, using the simplified approach. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Trade debts are separately assessed for ECL measurement. The lifetime expected credit losses are estimated using the Company's historical credit loss experience based on payment profiles of sales adjusted for factors that are specific to the debtors, corresponding historical credit losses experienced within this period, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. The historical loss rates are adjusted to reflect current and forward-looking information affecting the ability of the customers to settle the receivables. Trade debts outstanding on account of inter-corporate circular debt is exempt from recognition of ECL and are accounted for under IAS 39 'Financial Instruments: Recognition and Measurement' which is further described in note 4.1.

Significant increase in credit risk

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;

- actual or expected significant changes in the operating results of the debtor;

- significant increase in credit risk on other financial instruments of the same debtor;

- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees;

- significant financial difficulty of the borrower;

- a breach of contract, such as a default or past due event;

- the company for economic or contractual reasons relating to the borrower's financial difficulty, have granted to the borrower a concession(s) that the Company would not otherwise consider;

- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or

- the disappearance of an active market for that financial asset because of financial difficulties; if applicable.

Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by

Irrespective of the above analysis, the Company considers that a default has occurred if a debtor is more than 365 days past due in making a contractual payment unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Recognition of loss allowance

The Company recognizes an impairment gain or loss in the statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Write-off

The Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

4.12.2 Financial liabilities

Classification, initial recognition and subsequent measurement

The Company classifies its financial liabilities in the following categories:

– at fair value through profit or loss ("FVTPL"); and
– at amortized cost.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

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 being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

Amortized cost

After initial recognition, other financial liabilities which are interest bearing are subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in the statement of profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

De-recognition of financial liabilities

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 a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

Financial assets at FVTOCI-Other than equity instruments

Subsequent changes in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in statement of profit or loss.

Financial assets- equity instruments

The Company subsequently measure all equity instruments at fair value. Where the Company's management has elected to present fair value gain and loss on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

4.12.3 Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit or loss.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if the Company has legally enforceable right to set-off the recognized amounts and the Company intends to settle on a net basis or realize the asset and settle the liability simultaneously.

4.13 Cash and cash equivalents

Cash and cash equivalents for the purpose of statement of cash flows comprise cash in hand and at bank and includes short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4.14 Staff retirement benefits

Defined benefit plan

The Company operates a funded gratuity plan (the Fund) for its eligible employees. Employees completing the minimum qualifying period of six month as specified in the scheme. Cash compensation for the total number of years of service is payable at the time of retirement, resignation, death or expiry of employment contract at the rate of last drawn gross salary. The contract renewal period for each employee is 3 years. At the end of each year, the Company transfers its share of liability for the year towards the Fund.

Defined contribution plan

The Company operates registered contributory provident fund for its employees by the name of "Pakistan LNG Contributory Provident Fund" established on January 17, 2019. As per the scheme, 10% of the basic salary is contributed both by the employer and the employee.

Compensated absences

The Company accounts for all compensated absences when employees render services that increase their entitlement to future compensated absences. Cash compensation for the balance of earned leaves up to maximum of 90 days at the time of retirement, resignation, death or termination of service. Leave encashment is paid at the rate of latest gross salary to the regular and contract employees of the Company.

4.15 Trade and other payables

Liabilities for trade and other payables, including payable to related parties, are carried at cost, which is the fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

4.16 Provisions

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

4.17 Revenue recognition

Revenue from contracts with customers is recognized as or when the Company satisfies a performance obligation by transferring a promised good or service to a customer. A good or service is transferred when the customer obtains control of that good or service. The transfer of control of regasified liquified natural gas (RLNG) coincides with injection of RLNG into customer's pipeline infrastructure at the tie in point through Custody Transfer Station. The Company principally satisfies its performance obligations at a point in time and recognizes revenue relating to the performance.

Revenue is measured at the transaction price, net of government levies. Transaction prices of RLNG are notified by the government authorities on monthly based on agreements with customers, relevant applicable petroleum policy, decision of ECC of the Cabinet. Effect of adjustments, if any, arising from revision in sale prices is reflected as and when the prices are finalized with the customers and/or approved by the GoP.

Billings are generally raised by the end of each week which are payable within 5 days in accordance with the contractual arrangement with customers. The Company based on its assessment has not identified a significant financing component in its contracts with customers.

4.18 Dividends

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

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with the approved accounting standards requires the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are as follows:

i) Estimated useful life, residual value and depreciation method of operating assets - note 6
ii) Right of use asset and lease liability - note 7 and note 20
iii) Valuation of stock in trade - 10
iv) Contingencies - note 23
v) Taxation - note 30

6 PROPERTY AND EQUIPMENT

	Computer equipment	Furniture and fixture	Office equipment	Motor vehicle	Communication equipment	Total
	Rupees ('000)					
As at July 1, 2022						
Cost	18,846	16,565	11,448	4,777	1,632	53,268
Accumulated depreciation	(15,107)	(11,329)	(9,463)	(3,697)	(509)	(40,105)
Net book value	3,739	5,236	1,985	1,080	1,123	13,163
Year ended June 30, 2023						
Opening net book value	3,739	5,236	1,985	1,080	1,123	13,163
Additions	8,133	-	-	5,925	932	14,990
Disposals						
Cost	(1,676)	-	(255)	-	(470)	(2,401)
Accumulated depreciation	1,566	-	255	-	466	2,287
	(110)	-	-	-	(4)	(114)
Depreciation charge	(3,414)	(2,482)	(1,268)	(1,517)	(907)	(9,588)
Closing net book value	8,348	2,754	717	5,488	1,144	18,451
As at June 30, 2023						
Cost	25,303	16,565	11,193	10,702	2,094	65,857
Accumulated depreciation	(16,955)	(13,811)	(10,476)	(5,214)	(950)	(47,406)
Net book value	8,348	2,754	717	5,488	1,144	18,451
Year ended June 30, 2024						
Opening net book value	8,348	2,754	717	5,488	1,144	18,451
Additions	13,570	11,495	3,507	-	1,680	30,252
Disposals						-
Cost	(3,498)	-	(150)	-	(1,661)	(5,309)
Accumulated depreciation	3,445	-	150	-	1,568	5,163
	(53)	-	-	-	(93)	(146)
Depreciation charge	(8,475)	(2,108)	(620)	(1,629)	(994)	(13,826)
Closing net book value	13,390	12,141	3,604	3,859	1,737	34,731
As at June 30, 2024						
Cost	35,375	28,060	14,550	10,702	2,113	90,800
Accumulated depreciation	(21,985)	(15,919)	(10,946)	(6,843)	(376)	(56,069)
Net book value	13,390	12,141	3,604	3,859	1,737	34,731
Annual rate of depreciation (%)	30	15	15	20	50	

	Note	2024	2023
		------------- Rs '000 -------------	
7 RIGHT OF USE ASSETS			
Floating Storage and Regassification unit (FSRU)			
Cost		144,469,320	144,469,320
Accumulated depreciation			
As at beginning of the year		42,805,724	32,104,293
Charge for the year		10,701,431	10,701,431
As at end of the year		53,507,155	42,805,724
Carrying value at the end of the year		90,962,165	101,663,596
Useful life		15 years	15 years

	Note	2024	2023
8 INTANGIBLE ASSETS - SOFTWARE			
Cost			
As at beginning of the year		1,355	1,697
Write off during the year		-	(342)
As at end of the year		1,355	1,355
Amortization			
As at beginning of the year		1,104	1,212
Write off during the year		-	(342)
Charge for the year		157	234
As at end of the year		1,261	1,104
Carrying value at the end of the year		94	251
Amortization rate		25%	25%

	Note	2024	2023
9 DEFERRED TAX ASSETS			
Deferred taxation		31,435,143	24,288,753
Movement in the deferred tax asset:			
Balance at beginning of the year		24,288,753	12,154,047
Credit to the statement of profit or loss	30	7,146,390	12,134,706
Balance at end of the year		31,435,143	24,288,753

9.1 Deferred tax has been calculated at the current effective tax rate of 39% (2023: 29%).The increase in tax rate from 29% to 39% was substantively enacted as a result of applicability of super tax rates on the taxable income of the Company. As a result, the relevant deferred tax balances have been remeasured. The impact of the change in tax rate has been recognized as tax expense in profit or loss, except to the extent that it relates to items previously recognized outside profit or loss.

9.2 The movement in deferred tax is as follows:

	Opening balance as at July 1	Recognized in profit or loss	Closing balance as at June 30
	Rs '000		
2024			
Deductible temporary difference			
Lease liability	53,771,196	13,139,191	66,910,387
Taxable temporary difference			
Right of use asset	(29,482,443)	(5,992,801)	(35,475,244)
	24,288,753	7,146,390	31,435,143
2023			
Deductible temporary difference			
Lease liability	49,234,506	4,536,690	53,771,196
Taxable temporary difference			
Right of use asset	(37,080,459)	7,598,016	(29,482,443)
	12,154,047	12,134,706	24,288,753

Deferred tax is also not recognized on property & equipment, employee's benefits on account of impact being immaterial to the financial statements.

10 STOCK IN TRADE

	Note	2024	2023
		Rs '000	
LNG held with third party	10.1	2,614,235	8,382,078
RLNG held in pipeline	10.2	-	101,347
		2,614,235	8,483,425

10.1 This represents LNG inventory held with PGP Consortium Limited (PGPCL) at the Floating Storage and Regasification Unit (FSRU). The inventory includes stock on account of borrowing and lending mechanism with SNGPL, in relation to LNG cargoes received by the Company at FSRU. As per the mechanism, the LNG inventory in MMBTU terms is recouped by the Company from subsequent month cargo received by SNGPL.

10.2 This represents RLNG held in pipeline between Floating Storage and Regasification Unit (FSRU) and Custody Transfer System (CTS).

11 RECOVERABLE FROM TAX AUTHORITIES

	Note	2024	2023
		Rs '000	
Income tax refundable - net	11.1	2,955,008	4,227,540
General sales tax recoverable	11.2	9,164,542	9,587,829
		12,119,550	13,815,369

11.1 This amount is net of the recoverable recognized in prior years for an aggregate amount of Rs 3,220 million, cumulative of alleged tax demand along penalty and default surcharge, for tax year 2020 recovered from the Company under coercive measures adopted by the tax authorities. As outlined in note 23.1.3, the matter is pending for adjucation.

11.2 This mainly pertains to import of LNG cargos and management is confident that it is adjustable against future sales of the Company. General sales tax recoverable has been recognized taking into account the availability of future sales as per business plan of the Company. The existence of future sales is based on business plan which involves making judgements regarding key assumptions underlying the estimation of the future sales of the Company. These assumptions, if not met have significant risk of causing a material adjustment to the carrying amount of general sales tax recoverable. The management believes that it is probable that the Company will be able to achieve the sales projected in the business plan.

		Note	2024	2023
			------------- Rs '000 -------------	
12	**TRADE RECEIVABLES**			
	Considered good - unsecured	12.1	98,977,828	101,288,269

12.1 The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost except for financial assets due directly / ultimately from GoP in respect of which applicability of ECL model is deferred by the SECP as explained in note 4.1.

Trade receivables represent balance receivable from Sui Northern Gas Pipeline Limited (SNGPL) and K Electric Limited (KE); related parties of the Company. It includes overdue balance receivable from SNGPL of Rs. 92,436 million (2023: Rs. 96,217 million). The maximum amount outstanding during the year from KE limited amounts to Rs 7,632 million (2023: 9,957 million) and from SNGPL amounts to Rs 130,077 million (2023: 141,307 million)

		Note	2024	2023
13	**OTHER RECEIVABLES**		------------- Rs '000 -------------	
	Accrued recoverable		-	200,450
	Receivable from the Parent Company	13.1	-	2,536,997
	Other receivables	13.2	2,333,185	-
	Accrued interest on bank deposits		763,850	158,097
			3,097,035	2,895,544

13.1 This includes amount recoverable from the Parent Company on account of minimum tax under section 113 C paid over and above the corporate tax liability of the Company at 29%, as group taxation has been opted by the Parent Company and its subsidiaries under section 59AA of the Income Tax Ordinance, 2001.

13.2 This includes deposit placed with Milbank, the Company's lawyers, amounting to Rs 2,329 million as at year end.

		Note	2024	2023
14	**SHORT TERM INVESTMENTS**		------------- Rs '000 -------------	
	Amortized Cost			
	Term Deposit Receipts (TDRs)	14.1		
	Principal amount		8,112,115	3,065,431
	Accrued interest		349,133	104,111
			8,461,248	3,169,542
	Market Treasury Bills (T-Bills)	14.2		
	Principal amount		3,457,344	-
	Accrued interest		136,175	-
			3,593,519	-
			12,054,767	3,169,542

14.1 This includes local currency TDRs as a guarantee on account of Sindh Infrastructure Cess, as per the directions of the Sindh High Court amounting to Rs 5,126 million (2023: Rs 3,169 million). These TDRs are placed with Meezan Bank Limited and Bank Alfalah Limited and carry an average interest rate of 19.73% per annum (2023: 14.8% per annum) with maturity up to six months. After conclusion of Court proceedings and the related judgement by the Court, the amount will be released accordingly.

14.2 This represents investment in market treasury bills (T-Bills) with Central Depository Company of Pakistan Limited (CDC) carrying an average interest rate 20.59% per annum with maturities ranging from 39 days to 179 days.

		Note	2024	2023
			Rs '000	
15	**CASH AND BANK BALANCES**			
	Cash in hand			
	Local currency		127	410
	Foreign currency		6,000	1,413
	Cash at bank - savings accounts			
	Local currency	15.1	46,125,369	13,375,567
	Foreign currency		573	2,647,154
			46,132,069	16,024,544

15.1 These carry mark-up at the rate ranging between 11.01% to 20.90% (2023:14.05% to 19.65%) per annum.

		Note	2024	2023
			Rs '000	
15.2	**Cash and cash equivalents**			
	Cash and bank balances	15	46,132,069	16,024,544
	Short term investments	14	3,862,330	3,169,542
	Accrued interest on bank deposit	13	763,850	158,097
	Less: short-term investments marked with lien		(3,500,742)	(3,169,542)
			47,257,507	16,182,641

16 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

16.1 Authorized share capital

2024	2023	Note	2024	2023
Number of shares			Rs '000	
100,000,000	100,000,000		1,000,000	1,000,000

16.2 Issued, subscribed and paid up capital:

2024	2023	Note	2024	2023
Number of shares			Rs '000	
1,500,003	1,500,003	16.2.1	15,000	15,000

16.2.1 Ordinary shares have a par value of Rs 10 each. They entitle the holder to participate in dividends, as may be declared from time to time, and to share in proceedings of winding up of the Company in the proportion to the number of and the amounts paid on shares held. Further the holder is entitled to one vote per share at the general meeting of the Company.

16.2.2 Government Holdings (Private) Limited (Parent Company) holds 100% of the issued, subscribed and paid-up capital. No new shares were issued during the year.

17	RESERVES	Note	2024	2023
			Rs '000	
	Capital reserves			
	Reserve on amalgamation	17.1	476,299	476,299
	Revenue reserves			
	Accumulated losses		(13,988,273)	(50,324,502)
			(13,511,974)	(49,848,203)

17.1 This reserve represents the difference between the consideration transferred and net of carrying amount of assets and liabilities received from PLTL on amalgamation in note 1.2. The reserve will be utilized as per instructions of the Board of Directors of the Company in accordance with requirements of Companies Act 2017.

18	DEFERRED EMPLOYEES' BENEFITS	Note	2024	2023
			Rs '000	
	Provision for gratuity	18.2	-	-
	Provision for leave encashment	18.3	32,163	20,593
			32,163	20,593

18.1 Actuarial valuation of deferred employees' benefits has not been carried out as the management considers the impact to be immaterial.

18.2	Provision for gratuity	2024	2023
		Rs '000	
	Balance at the beginning of the year	-	3,862
	Provision made during the year	34,893	28,240
	Payment made during the year	(34,893)	(32,102)
	Balance at the end of the year	-	-
18.3	**Provision for leave encashment**		
	Balance at the beginning of the year	20,593	19,212
	Provision made during the year	25,555	15,366
	Payment made during the year	(13,985)	(13,985)
	Balance at the end of the year	32,163	20,593

19	LOAN FROM PARENT COMPANY	Current portion	Non-current portion	Total
		Rs'000		
	June 30, 2024			
	Principal	-	-	-
	Accrued interest	-	-	-
		-	-	-
	June 30, 2023			
	Principal	1,200,000	1,336,947	2,536,947
	Accrued interest	304,462	1,193,209	1,497,671
		1,504,462	2,530,156	4,034,618

		Note	2024	2023
			------------- Rs '000 -------------	
19.1	**Movement in loan from Parent - Principal**			
	Balance at beginning of the year		2,536,947	3,706,638
	Group tax benefit adjustment		(70,600)	-
	Repayment made during the year		(2,466,347)	(1,169,691)
	Balance at the end of the year	19.2	-	2,536,947
	Current portion		-	(1,200,000)
	Non-current portion		-	1,336,947

19.2 The Company had obtained operational advances from the Parent Company for managing its working capital which were subsequently converted into long term loan bearing interest at 6 month KIBOR plus 2% at the date of transaction. The loan repayment timeline was agreed by both parties whereby the Company was paying Rs 250 million bi-monthly towards the principal and interest. During the year and based on approval of the Board of Directors, the Company has settled the entire outstanding amount of Rs 2,536 million along with interest accrued thereon.

		2024	2023
		------------- Rs '000 -------------	
20	**LEASE LIABILITY**		
	Balance at beginning of the year	185,417,918	149,195,473
	Interest charge during the year	8,249,367	7,337,880
	Lease payments during the year	(24,274,749)	(21,319,049)
	Exchange loss on retranslation	2,172,560	50,203,614
	Balance at end of the year	171,565,096	185,417,918
	Current portion	(17,075,868)	(16,252,001)
	Non-current portion	154,489,228	169,165,917

Lease liability

Maturity analysis - contractual undiscounted cash flows

	2024	2023
Not later than one year	23,937,586	23,741,862
Later than one year and not later than five years	119,753,515	120,460,757
Later than five years	60,007,922	81,020,724
	203,699,023	225,223,343

20.1 Lease arrangement

The Company recognized the lease on Floating Storage and Regasification Unit (FSRU), Jetty and connecting pipelines assets located at LNG terminal. Initially lease arrangement was entered by PLTL through Operation Services Agreement (OSA) with PGP Consortium Limited (PGPCL) as main lease arrangement, additionally Terminal Use and Regasification Agreement (TURA) was entered into by Company with PLTL as sub lease arrangement. Subsequent to merger of PLTL with the Company, this lease arrangement effectively remained with PGPCL as lessor and the Company as lessee.

Under the lease contract the Company has to pay fixed lease rentals, interest rate implicit in the lease was not available therefore lease liability was initially measured at the present value of the lease payments using the Company's incremental borrowing rate. The Company used the discount rate of LIBOR+2% i.e.: 4.2% on the date of commencement of lease, to reflect the rate at which external financiers would lend to the Company for the type of asset leased.

20.2 Impact of IFRS 16 Leases on Statement of Profit or Loss

The Company prepares its financial statements on the basis of International Financial Reporting Standards (IFRS) as applicable in Pakistan. However, due to significance of impact of revaluation of lease liability at the closing exchange rate in line with requirements of IAS 21, the Board of Directors of the Company has decided to disclose, as additional information, profit and loss account of the Company had the Company not implemented IFRS 16 in its financial statements. The effects are outlined as below:

	2024	2023
	Rs '000	
Profit / (loss) before taxation for the year	36,485,556	(49,615,120)
Exchange loss on re-translation of liability	2,172,560	50,203,614
Lease rentals paid during the year	(24,274,749)	(21,319,049)
Interest expense on lease liability	8,249,367	7,337,880
Depreciation of right of use asset	10,701,431	10,701,431
	(3,151,391)	46,923,876
Profit / (loss) before taxation for the year without IFRS 16 application	33,334,165	(2,691,244)
Current tax expense for the year	(7,295,717)	(464,177)
Profit / (loss) after taxation for the year without IFRS 16 application	26,038,448	(3,155,421)

21 PAYABLE TO GOVERNMENT

	Note	2024	2023
		Rs '000	
Balance at the beginning of the year		113,898,102	120,565,163
Utilization during the year	21.1	17,887,410	5,743,542
Amount repaid during the year		(11,117,233)	(12,410,603)
Balance at the end of the year		120,668,279	113,898,102

21.1 During the financial year ended June 30, 2019, the Government of Pakistan (GoP) and International Islamic Trade Finance Corporation (ITFC) entered into a deferred financing facility dated April 22, 2019, with the Company designated as an executing agency by the GoP. As per the agreement, payments to LNG suppliers are processed by ITFC, with the Company processing the payment to the State Bank of Pakistan (SBP) in the designated bank account in USD equivalent PKR. The amount paid by ITFC to the vendor is recognized as payable using the exchange rate of date of payment by ITFC. Accordingly, during the year the Company executed 3 transactions (2023: 2 transactions) with LNG suppliers under the agreement, amounting to Rs. 17,887 million (2023: Rs. 5,744 million).

22 TRADE AND OTHER PAYABLES

	Note	2024	2023
		Rs '000	
Trade payables	22.1	11,613,162	10,808,080
Sindh cess payable at import stage	22.2	5,125,577	3,065,431
Accrued liabilities	22.3	2,053,719	363,593
Withholding tax payable		6,490	204,879
Port charges recovered	22.5	-	4,539,305
		18,798,948	18,981,288

22.1 This includes Rs 2,318 million (2023: Rs 2,318 million) payable to PGP Consortium Limited (PGPCL) on account of terminal charges and payables to respective LNG suppliers aggregating to Rs 9,294 million (2023: Rs 8,490 million).

22.2 This represents unpaid amount due under the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 (Sindh Cess Act); deposited pursuant to instructions of the Honorable Sindh High Court (SHC) under a petition filed by the Company challenging the constitutionality of the power exercised by the provincial legislature to levy the Cess. The Company has also provided financial guarantees, obtained from commercial banks, in the name of Excise and Taxation Department, Government of Sindh, as disclosed in note 14 to the financial statements.

22.3 This includes provision recognized in relation to the enforcement petition filed by PGPCL against the LCIA Award dated April 26, 2023, wherein PGPCL has sough relief against the USD 7.2 million , it was required to pay, along with default interest at 3 months KIBOR+1% starting from March 13, 2018 to the Company on account of liquidated damages (LDs), till full and final amount is paid. PGPCL have sought relief to pay LDs amount along with default interest at an exchange rate prevailing as on March 13, 2018. The Company has disputed the relief as the judgement currency is in USD and the LDs amount payable by PGPCL has to be in USD or equivalent PKR prevailing as of the payment date. The matter is pending with Islamabad High Court.

PGPCL through its letter dated June 26, 2023 agreed to pay LDs amount in equal installment of USD 800,000 over 16 months till the amount is fully recovered. The estimated amount of LDs along with Interest is USD 12.43 million. PLL has recovered USD 11.2 million from PGPCL till year end. However, the Company, as a matter of prudence, has recognized the disputed amount withheld, amounting to Rs 1,799 million as payable to PGPCL till the final resolution of the matter pending before the court.

22.4 All contributions related to provident fund are deposited in the recognized fund of the Company at each month end.

22.5 This represents amount received / withheld by the Company against demand letter to its LNG suppliers namely ENI, Gunvor International (GI) and Gunvor Singapore (GS) to claim the amount due to the Company in relation to amount overbilled to the Company in lieu of port charges. The arbitration proceedings with LCIA against the suppliers has been concluded during the year and the related amount received / withheld has been adjusted accordingly which is further explained in note 27 to the financial statements.

23 CONTINGENCIES AND COMMITMENTS

23.1 Tax Contingencies

23.1.1 For tax year 2018, Additional Commissioner Inland Revenue (ACIR) amended the Company's assessment under section 122(5A) and created tax demand of Rs. 1,691 million by making disallowances of unrealized exchange loss, credit of tax paid under import stage, capacity, utilization and flexibility charges.

The Company filed an appeal before the Commissioner Inland Revenue - Appeals [CIR(A)] who has remanded back the issue of disallowances of tax credit on tax paid at import stage, disallowed the unrealized exchange loss and rendered its decision on the issue of disallowances of regasification charges pending till the decision of Economic Coordination Committee (ECC). The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) regarding appellate order issued by CIR(A).

The ACIR has also filed an appeal before the ATIR regarding the allowance of tax credit at the import stage, with disposal of the appeal pending before the ATIR.

23.1.2 For tax year 2019, Deputy Commissioner Inland Revenue (DCIR) amended the Company's assessment under section 122(5A) and created tax demand of Rs. 4,207 million by making disallowances of realized and unrealized exchange loss, import related cost, recoverable from SNGPL, credit of tax under section 148 read with section 169, capacity, utilization and flexibility charges.

The Company filed an appeal before the CIR(A) and obtained a stay from ATIR and the Honorable Islamabad High Court (IHC) against the recovery of impugned demand till the disposal of main appeal by the ATIR. The CIR(A) vide appellate order dated August 9, 2024 has disallowed the capacity and flexibility charges and remanded back the case on other matters. The Company is in process of filing appeal against order issued by CIR(A).

23.1.3 For tax year 2020, Additional Commissioner Inland Revenue (ACIR) amended the Company's assessment under section 122(5A) and created tax demand of Rs. 2,928 million by making disallowances of exchange loss, import related cost, capacity, utilization and flexibility charges.

The Company filed an appeal before the CIR(A) appeals who in terms of separate appellate orders disposed off the appeal and upheld the disallowance made by the ACIR. The demand amounting to Rs. 2,928 million raised by the department was coercively recovered by the department.

The Company has preferred separate appeals before ATIR who has granted stay against the recovery of impugned demand till the disposal of main appeal. Further, the Company filed a writ petition before the Islamabad High Court.

The management, based on the opinion of its tax consultants, believes that the above mentioned matters are most likely to be decided in favor of the Company at superior appellate forum and no further provision has been booked relating to these matters in these financial statements.

23.2 Other contingencies

i) PGPCL has filed a request for arbitration (RFA) before the London Court of Arbitration (LCIA) dated October 28, 2023 with respect to reimbursement of royalties payable by PGPCL to Port Qasim Authority (PQA) from the Company, payment for services provided by PGPCL to the Company before the commercial start date and the Company's refusal to enter a third party access arrangement with PGPCL causing significant losses to PGPCL. The case is pending before LCIA and the hearing of case will held in April 2025. Management is confident that the matter will be decided in favor of the Company.

ii) Subsequent to the year end, Oil and Gas Regulatory Authority (OGRA), vide its notifications dated December 24, 2024, conveyed price determination of RLNG sales for respective months from December 2017 to June 2022 encompassing supplies made by the Company to Sui Northern Gas Pipelines (SNGPL). The Company is not in agreement with the various components of the aforesaid determination made by the OGRA. The Company through its letter dated January 9, 2025, has requested OGRA to revisit various matters and simultaneously has also informed OGRA about the certain amounts recovered under international arbitrations. Further, vide letter dated January 23, 2025, the Company has also filed an appeal under SRO(I)/2024 dated January 31, 2024, issued by OGRA over the matter of statedly lesser LNG profit margin allowed by OGRA in the aforesaid determination.
The management and Board of the Company believe that the matter raised by the Company before regulatory forum are appropriately raised and carry merit in favor of the Company thus the same are likely to be decided in favor of the Company and no negative inference would flow to the Company upon ultimate conclusion of the related proceedings and also that any possible financial impact arising thereon will be accounted for per the Company's accounting policy in the period when finalization of matter is reached.

23.3 Commitments

23.3.1 In accordance with the provisions of the Operations and Services Agreement (OSA), the Company shall pay to Terminal Operator a capacity charge of USD 245,220 per day subject to capped availability factor (96%) and a flexibility charge in the event of terminal capacity utilization increases from agreed annual utilization profile (referred as Annual Flexibility Profile) at the rate of 25% of the applicable capacity fee.

23.3.2 In accordance with the provisions of Master Sale and Purchase Agreement (MSPA), the Company is obliged to import one cargo of LNG per month from ENI SPA (the Sellers) for a period of 15 years respectively from the start of commercial operation date. Under the agreement, the Company has issued a Standby Letter of Credit (SBLC) to ENI for USD 42.4 million.

23.3.3 As at June 30, 2024, the Company has FATR / LC facilities with commercial banks of USD 552.4 million, which are duly secured against a pari passu charge on current assets registered with the SECP.

24 REVENUE FROM CONTRACT WITH CUSTOMERS - NET

	2024	2023
	Rs '000	
Gross sales - Regassified liquified natural gas	230,357,771	114,431,048
Sales tax on sales of regassified liquified natural gas	(35,139,321)	(17,086,003)
Gross sales - Regasification services	20,355,967	16,429,124
Sales tax on regasification services	(2,807,720)	(2,266,086)
	212,766,697	111,508,083

24.1 As per the decision of the Economic Coordination Committee (ECC) vide case no. ECC-62/12/2018 dated May 30, 2018, the LNG margin of the Company was increased from 2.5% to 3.75% with effect from June 1, 2018. However, implementation of the same is currently pending with OGRA. Once implemented, the margin will be recovered by the Company prospectively.

24.2 Regassified liquified natural gas sales include sales to SNGPL and K-Electric Limited invoiced on provisional prices. There may be adjustment in revenue upon issuance of final regassified liquified natural gas price notification by OGRA for the respective month, impact of which cannot be determined at this stage for all costs. Any possible impact related to such adjustments will be adjusted prospectively.

	Note	2024	2023
		------------- Rs '000	-------------
25 COST OF SALES			
Opening stock of liquified natural gas / regassified liquified natural gas		8,483,425	15,720,587
Gas purchases:			
Purchase of liquified natural gas		162,202,874	75,699,714
Depreciation on right of use asset	7	10,701,431	10,701,431
Import related costs		11,313,486	5,183,589
Capacity, utilization and flexibility charges		788,105	(11,015)
Operations & Maintenance		79,603	6,154
		185,085,499	91,579,873
Less: Closing Stock in trade	10	(2,614,235)	(8,483,425)
		190,954,689	98,817,035

26 ADMINISTRATIVE EXPENSES

	Note	2024	2023
Salaries and allowances	26.1	370,126	306,686
Legal and consultancy charges		33,383	57,578
Board meetings fees		12,500	19,206
Business promotion expense		3,566	3,911
Travelling expense		14,338	24,984
Training, conferences and seminars		9,938	5,242
Rent expense		9,400	8,103
Depreciation on property and equipment	6	13,826	9,589
Amortization of intangible assets	8	157	234
Utilities		19,322	10,426
Insurance		6,920	4,978
Entertainment		3,082	580
Printing, stationary and other consumable		2,824	2,500
Corporate social responsibility	26.2	25,000	4,000
Auditors' remuneration	26.3	9,275	7,134
Information Technology expenditures		7,675	5,268
Repair and maintenance		9,468	4,146
Miscellaneous		738	2,274
		551,538	476,839

26.1 It includes gratuity and leave encashment expenses for an amount of Rs. 34.89 million (2023: Rs 28.24 million) and Rs. 25.55 million (2023: Rs 15.37 million) respectively, for eligible employees as per Company policy. Furthermore, it also includes contributions by the employer to provident fund, for an amount of Rs. 13.14 million (2023: Rs. 10.67 million).

26.2 The Company received a directive from Government of Pakistan to give donation for ration distribution in Ramazan as CSR activity. Consequently, the Company made donation to Saylani Welfare International Trust. None of the directors or their spouse has interest in the above organization.

		Note	2024	2023
			------------- Rs '000 -------------	
26.3	**Auditors' remuneration**			
	Statutory audit fee		2,123	1,740
	Report on compliance of Public Sector Companies (Corporate Governance) Rules 2013		146	120
	Out of pocket expenses		227	100
	Tax services		6,779	5,174
			9,275	7,134
27	**ARBITRATION INCOME / (EXPENSE)- NET**			
	Settlement expense			
	Settlement with ENI	27.1	(521,237)	-
	Settlement income			
	Settlement with Gunvor International	27.2	17,811,195	-
	Settlement with Gunvor Singapore	27.3	668,043	80,248
	Settlement with PGPCL	22.3	1,062,523	88,543
			19,541,761	168,791
	Arbitration related costs - net	27.4	7,525	(358,903)
			19,028,049	(190,112)

27.1 This represents amount paid as per the terms of LCIA settlement award between the Company and ENI in relation to amounts allegedly overbilled to the Company in lieu of port charges. ENI made the payment for an amount of USD 9.19 million under protest against demand letter issued by the Company for port charges recovery and started arbitration proceedings against the Company at LCIA which decided the matter in favor of ENI during the year. Resultantly, the Company has repaid the entire amount of Rs 1,959 million along with default surcharge and reimbursement of legal costs of Rs 521 million to the supplier which has been charged as expense to the financial statements.

27.2 This represents amount recovered from Gunvor International (GI) in respect of port charges recovery, import related costs, terminal charges, Company's margin and reimbursements of legal cost as per terms of LCIA award. In relation to recovery of port charges, the Company raised debit notes for an amount of USD 10.7 million for the recovery of port charges against GI's invoice of February 2022. Pursuant to the GI's refusal to renew their performance guarantee, the Company encashed the Standby letter of Credit (SBLC) amounting to USD 53 million on date of expiry i.e. March 1, 2022. However, GI initiated arbitration proceedings with LCIA against the aforementioned adjustment and encashment claiming that it has discharged its obligations under the contract.

During the year, the matter has been settled in the LCIA in favour of the Company and the Company has received USD 69 million, including the amount withheld earlier through debit notes. Consequent to the matter attaining finality, the amount of USD 69 million has been classified as arbitration income in the financial statements. The amount recovered has been intimated to OGRA and the management believes it would be adjusted upon actualisation of RLNG tariff by the related directives of OGRA.

27.3 This represents amount received by the Company under the Settlement Agreement signed with Gunvor Singapore (GS) for an amount of USD 2.4 million for recovery of entire overbilled port charges and reimbursement of Legal Cost amounting USD 280,000 in 2023. The amount has been received during the year in Company's lawyer account and has been accounted for as settlement income in the financial statements. The amount recovered has been intimated to OGRA and the management believes it would be adjusted upon actualisation of RLNG tariff by the related directives of OGRA.

27.4 This represents the legal and arbitrator costs in relation to the above-mentioned arbitrations net of any revision in estimated costs.

	Note	2024	2023
		Rs '000	
28 OTHER INCOME			
Profit on bank deposit & TDRs		7,015,538	1,418,519
Profit on T-Bills		410,163	-
Others		116,460	78,521
		7,542,161	1,497,040
29 FINANCE COST			
Interest expense on lease liability	20	8,249,367	7,337,880
Interest on loan from related party		46,085	263,024
Bank charges		52,614	12,328
Interest on delayed payment		-	47,510
		8,348,066	7,660,742
30 TAXATION			
Current tax			
Current year		7,295,717	1,858,028
Adjustment on account of group taxation		-	(1,393,851)
		7,295,717	464,177
Deferred			
Credit	9	(7,146,390)	(12,134,706)
		149,327	(11,670,529)

	2024	2023
	Rs '000	
30.1 Reconciliation of tax charge for the year		
Accounting profit / (loss)	36,485,556	(49,615,120)
Tax rate	39%	29%
Tax on accounting profit at applicable rate 39% (2023: 29%)	14,229,367	(14,388,385)
Tax effect of:		
Tax losses/benefits recognised in current year	(5,710,654)	2,168,992
Minimum tax for the period	-	1,393,851
Impact of different rate of tax	(8,375,432)	-
Group tax adjustment	-	(1,393,851)
Tax asset for prior period written off	-	496,273
Others	6,046	52,591
	(14,080,040)	2,717,856
	149,327	(11,670,529)

31 RELATED PARTY TRANSACTIONS AND BALANCES

The Company is wholly owned subsidiary of Government Holdings (Private) Limited which is wholly owned by Government of Pakistan. Therefore, all entities owned and controlled by the Government of Pakistan are related parties of the Company. Other related parties comprise directors, companies with common directorship, key management personnel, provident fund and gratuity fund. The Company in normal course of business pays for electricity, gas, airfare and telephone to entities controlled by Government of Pakistan which are not material, hence not disclosed in these financial statements. Transactions of the Company with related parties and balances outstanding at the period end are as follows:

	Basis of association	2024	2023
		Rs '000	
GHPL	Parent		
Long term loan from parent			
Non- Current Portion		-	2,530,156
Current Portion		-	1,504,462
Tax receivable from the parent Company under group taxation		-	2,536,997
Interest expense on loan from parent		46,085	263,024
Accrued interest on loan from parent		-	1,497,671
Receivable from GHPL in respect of HVAC services		110	-
Payable to GHPL in respect of security services		725	-
Loan payments during the year		4,005,602	1,474,153
Expense incurred by PLL on behalf of GHPL		220	-
Payments received from GHPL		110	-
Expense incurred by GHPL on behalf of PLL		4,657	-
Payments made to GHPL		3,931	-
Related parties by virtue of GoP holdings and common directorship			
Sui Northern Gas Pipelines Limited	Common ownership		
Trade debts at beginning of the year		175,604,059	129,327,679
Sale of regassified liquified natural gas - net		82,356,667	453,650,898
Payments received during the year		165,524,741	407,374,518
Trade debts at end of the year		92,435,985	175,604,059
Ministry of Energy (Petroleum Division)	Ultimate Parent		
Balance payable		8,167	8,103
Rent expense for the year		8,167	8,103
Payments made during the year		13,143	-

	Basis of association	2024	2023
		------------- Rs '000 -------------	
Inter State Gas System Private Limited	Common ownership		
Balance receivable		255	-
Balance payable		1203	-
Expense incurred on behalf of ISGS		255	-
Expense incurred on behalf of PLL		4,750	-
Payments received		-	-
Payments made		3,547	-
K-Electric Private Limited	Common ownership		
Sale of regassified liquified natural gas - net		130,410,030	80,804,707
Payments received during the year		123,868,187	77,123,714
Trade debts at end of the year		6,541,843	5,070,849
Saindak Metals Limited	Common ownership		
Balance receivable		85	-
Balance payable		32	-
Expense incurred on behalf of PLL		85	-
Expense incurred on behalf of SML		201	-
Payments received		-	-
Payments made		169	-
Other related parties			
Contribution to gratuity fund		34,893	32,102
Remuneration to key management personnel (refer note 32)		315	283
Contribution to provident fund		13,142	10,674

32 REMUNERATION OF CHIEF EXECUTIVE, EXECUTIVES AND DIRECTORS

The aggregate amount charged in the financial statements for the year for remuneration including certain benefits to Chief Executive Officer and executives are as follows:

	2024		2023	
	Chief Executive	Executives	Chief Executive	Executives
	------------- Rs '000 -------------		------------- Rs '000 -------------	
Basic salary	-	124,713	-	94,003
Rent allowance	-	56,121	-	42,301
Medical allowance	-	12,471	-	9,332
Utility allowance	-	12,471	-	9,400
Bonus	-	-	-	-
Conveyance allowance	-	36,413	-	28,350
Mobile allowance	-	1,115	-	1,114
Provident fund contribution	-	12,483	-	9,415
Leave encashment	-	21,676	-	18,722
Gratuity	-	29,599	-	62,586
Additional charge allowance	6,707	1,471	6,191	1,618
	6,707	308,533	6,191	276,841
Number of persons	1	23	1	20

The Chief Executive Officer assumed charge on additional charge basis on September 17, 2020. In addition, 6 directors were paid aggregate amount of Rs. 12.50 million during the year on account of fee for attending various board meetings. (2023: 6 Directors, fee Rs. 18.80 million)

33 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks associated with its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board's risk management committee assists the Board in the identification and monitoring of the principal risks and opportunities of the Company ensuring that appropriate systems and internal control framework are in place to manage these risks and opportunities, including, safeguarding the public reputation of the Company. The Committee is required to oversee, report and make recommendations to the board in respect of financial and non-financial risks faced by the Company.

33.1 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. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

The Company is exposed to credit risk from its operating and certain investing activities and the Company's credit risk exposures are categorized under the following headings:

32.1.1 Counterparties

The Company conducts transactions with the following major types of counterparties:

Trade receivables and other receivables

Trade receivables are essentially due from gas distribution companies and the Company does not expect these companies to fail to meet their obligations.

Sale of regasified liquified natural gas is at prices specified in relevant agreements and / or as notified by the Government authorities based on agreements with customers or relevant applicable petroleum policy. Prices of regasified liquified natural gas are determined by the Company subject to maximum price notified by OGRA.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade debts and other receivables that are not due directly/ ultimately from GoP till June 30, 2024 as per policy disclosed in note 12 to the financial statements.

Bank balances and investments

The Company's credit risk is primarily attributable to its short term investments and balances at banks. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings.

While bank balances and investments in term deposits are also subject to the requirements of IFRS 9 the identified impairment loss was immaterial as the counter parties have reasonably high credit ratings. The name and credit ratings of major banks where the Company maintains its bank balances are as follows:

Name of Bank	Rating Agency	Credit Rating	
		Short Term	Long Term
National Bank of Pakistan	PACRA	A-1+	AAA
United Bank Limited	VIS	A-1+	AAA
MCB Bank Limited	PACRA	A-1+	AAA
Meezan Bank Limited	VIS	A-1+	AAA
Askari Bank Limited	PACRA	A-1+	AA+
Habib Metropolitan Bank	PACRA	A-1+	AA+
Bank Alfalah Limited	PACRA	A-1+	AAA
Habib Bank Limited	VIS	A-1+	AAA

32.1.2 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2024	2023
	Rs '000	
Trade receivables	98,977,828	101,288,269
Other receivables	3,097,035	2,895,544
Short term investments	12,054,767	3,169,542
Cash and bank balances	46,125,942	16,022,721
	160,255,572	123,376,076

The maximum exposure to credit risk for financial assets at the reporting date by type of counter party was:

	2024	2023
	Rs '000	
Gas and electricity distribution companies	98,977,828	101,288,269
Banks and financial institutions	58,944,559	19,192,263
Others	2,333,185	2,895,544
	160,255,572	123,376,076

The maximum exposure to credit risk for trade debts at the reporting date by type of product was:

Regasified liquified natural gas	98,977,828	101,288,269
	98,977,828	101,288,269

32.1.3 Impairment losses

The aging of trade debts at the reporting date was:

	2024		2023	
	Gross debts	Impaired	Gross debts	Impaired
	Rs '000			
Not past due	6,541,843	-	5,070,849	-
Past due 0-30 days	-	-	-	-
Past due 31-60 days	-	-	-	-
Past due 61-90 days	-	-	-	-
Over 90 days	92,435,985	-	96,217,420	-
	98,977,828	-	101,288,269	-

The aging of trade debts from related parties at the reporting date was:

	2024	2023
	Rs '000	
Not past due	6,541,843	5,070,849
Past due 0-30 days	-	-
Past due 31-60 days	-	-
Past due 61-90 days	-	-
Over 90 days	92,435,985	96,217,420
	98,977,828	101,288,269

33.2 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulties in raising funds to meet commitments associated with financial instruments. Prudent liquidity risk management implies maintaining sufficient cash and bank balances and availability of funding through an adequate amount of committed credit facilities.

Financial liabilities in accordance with their contractual maturities are presented below:

	Carrying amount	Contractual cash flows	Maturity up to one year	Maturity from one to five years	Maturity more than five years
			- Rs '000 -		
June 30, 2024					
Trade and other payables	13,666,881	13,666,881	13,666,881	-	-
Loan from Parent Company -	-	-	-	-	-
Payable to Government	120,668,279	120,668,279	120,668,279	-	-
Lease liability	171,565,096	203,699,023	23,937,586	119,753,515	60,007,922
	305,900,256	338,034,183	158,272,746	119,753,515	60,007,922
June 30, 2023					
Trade and other payables	15,579,078	15,579,078	15,579,078	-	-
Loan from parent	4,034,618	5,248,623	1,504,462	2,530,156	-
Payable to Government	113,898,102	120,565,163	113,898,102	-	-
Lease liability	185,417,918	149,195,473	23,741,862	120,460,757	81,020,724
	318,929,716	290,588,337	154,723,504	122,990,913	81,020,724

33.3 Market risk

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

32.3.1 Foreign currency risk management

PKR is the functional currency of the Company and as a result currency exposure arise from transactions and balances in currencies other than PKR. The Company's potential currency exposure comprise;

- Transactional exposure in respect of non functional currency monetary items.
- Transactional exposure in respect of non functional currency expenditure and revenues.

The potential currency exposures are discussed below;

Transactional exposure in respect of non functional currency monetary items

Monetary items, including financial assets and liabilities, denominated in currencies other than the functional currency of the Company are periodically restated to PKR equivalent, and the associated gain or loss is taken to the statement of profit or loss. The foreign currency risk related to monetary items is managed as part of the risk management strategy.

Transactional exposure in respect of non functional currency expenditure and revenues

Certain operating and capital expenditure is incurred by the Company in currencies other than the functional currency. Certain sales revenue is earned in currencies other than the functional currency of the Company. These currency risks are managed as a part of overall risk management strategy. The Company does not enter into forward exchange contracts.

Exposure to foreign currency risk

The Company's exposure to foreign currency risk is as follows based on carrying values:

	2024		2023	
	Rs '000	US Dollar	Rs '000	US Dollar
Foreign currency payables	11,613,162	41,685,989	134,016,891	486,354,543
Lease Liability	171,565,096	615,840,943	185,417,918	672,891,648
Net exposure	183,178,258	657,526,932	319,434,809	1,159,246,191

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2024	2023	2024	2023
	---------- Rupees ----------			
1 USD	283.45	248.11	278.59	275.55

Foreign currency sensitivity

A 10% strengthening of the functional currency against USD at June 30, 2024 would have increased profit and loss by Rs. 18,318 million (2023: Rs. 31,943 million). A 10% weakening of the functional currency against USD at June 30, 2024 would have had the equal but opposite effect of these amounts. The analysis assumes that all other variables remain constant.

32.3.2 Interest rate risk management

The interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market interest rates. Sensitivity to interest rate risk arises from mismatches of financial assets and liabilities that mature in a given period. The Company adopts a policy to ensure that interest rate risk is minimized by investing in fixed rate investments like TDR.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

	2024	2023	2024	2023
	----------%----------		----------Rupees----------	
Fixed rate instruments				
Financial assets				
Short term investments	19.73	14.80	12,054,767	3,169,542
Financial liabilities				
Lease liability	4.20	4.20	171,565,096	185,417,918
Loan from Parent Company - unsecured	-	8.20	-	4,034,618
Variable rate instruments -				
Financial assets				
Bank Balances	11.01% to 20.90%	14.05% to 19.65%	46,125,942	16,022,721

The effective interest rates for the financial assets and liabilities are mentioned in respective notes to the financial statements.

33.4 Fair values and risk management

The following table shows the carrying amounts and fair values of financial assets and liabilities. The fair value of financial assets measured at fair value is shown below. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value as the current financial assets and liabilities are short term and some financial assets are also interest bearing. Further, the financial assets due directly/ ultimately from GoP carries contractual right and entitlement to receive interest on late payment and is exempt from ECL accounting / disclosure as disclosed in note 12.

	Carrying amount	
	2024	2023
	------------- Rs '000 -------------	
FINANCIAL ASSETS		
Financial assets not measured at fair value:		
Amortized cost		
Short term investment	12,054,767	3,169,542
Trade receivables	98,977,828	101,288,269
Other receivables	3,097,035	2,895,544
Cash and bank balances	46,132,069	16,022,721
	160,261,699	123,376,076
FINANCIAL LIABILITIES		
Financial liabilities not measured at fair value:		
Amortized cost		
Loan from Parent Company - unsecured	-	4,034,618
Trade and other payables	13,666,881	15,710,978
Lease liability	171,565,096	185,417,918
Payable to Government	120,668,279	113,898,102
	305,900,256	319,061,616

Fair values of financial assets and financial liabilities are same as their carrying amounts.

Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve at the reporting date plus an adequate credit spread. Since the majority of the financial assets are fixed rate instruments, there is no significant difference in market rate and the rate of instrument, fair value significantly approximates to carrying value.

Determination of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Non - derivative financial assets

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Non - derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Capital management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders and/or issue new shares. There were no changes to Company's approach to capital management during the year and the Company is not subject to externally imposed capital requirement.

	2024	2023
	Rs '000	
Lease liability	171,565,096	185,417,918
Loan from Parent Company	-	4,034,618
Payable to Government	120,668,279	113,898,102
Deferred employee benefits	32,163	20,593
	292,265,538	303,371,231
Issued, subscribed and paid-up share capital	15,000	15,000
	15,000	15,000
Net Debt	292,250,538	303,356,231
Gearing ratio	99.99%	99.99%

The senior management of the Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders. Further, senior management under the guidance of Board of Directors (the Board) ensures that the Company's financial risk-taking activities are governed through resolution passed by the Board and that financial risks are identified, measured and managed in accordance with the Company's policies and risk appetite.

34 Reconciliation of movement of liabilities to cashflow arising from financing activities

	Liabilities			Equity			
	Loan from parent	Payable to Government	Lease liabilities	Share capital	Reserve on amalgamation	Accumulated profits	Total
	- Rs '000 -						
Balance at July 1, 2022	5,248,623	120,565,163	149,195,473	15,000	476,299	(12,379,911)	263,120,647
Changes from financing activities							
Government loan proceeds - net	-	(6,667,061)	-	-	-	-	(6,667,061)
Lease rentals paid	-	-	(21,319,049)	-	-	-	(21,319,049)
Repayment of loan from related party	(1,474,153)	-	-	-	-	-	(1,474,153)
Total changes from financing activities	(1,474,153)	(6,667,061)	(21,319,049)	-	-	-	(29,460,263)
Other changes							
Liability related							
Interest expense for the period	263,024	-	7,337,880	-	-	-	7,600,904
Other	(2,876)	-	50,203,614	-	-	-	50,200,738
Total liability related other changes	260,148	-	57,541,494	-	-	-	57,801,642
Equity Related							
Total comprehensive profit / (loss) for the period	-	-	-	-	-	(37,944,591)	(37,944,591)
Total equity related other changes							
Balance at June 30, 2023	4,034,618	113,898,102	185,417,918	15,000	476,299	(50,324,502)	253,517,435

Reconciliation of movement of liabilities to cashflow arising from financing activities

	Liabilities			Equity			
	Loan from parent	Payable to Government	Lease liabilities	Share capital	Reserve on amalgamation	Accumulated profits	Total
	Rs '000						
Balance at July 1, 2023	4,034,618	113,898,102	185,417,918	15,000	476,299	(50,324,502)	253,517,435
Changes from financing activities							
Government loan proceeds - net	-	6,770,177	-	-	-	-	6,770,177
Lease rentals paid	-	-	(24,274,749)	-	-	-	(24,274,749)
Repayment of loan from Parent Company	(4,010,103)	-	-	-	-	-	(4,010,103)
Total changes from financing activities	(4,010,103)	6,770,177	(24,274,749)	-	-	-	(21,514,675)
Other changes							
Liability related							
Interest expense for the period	46,085	-	8,249,367	-	-	-	8,295,452
Other changes	(70,600)	-	2,172,560	-	-	-	2,101,960
Total liability related other changes	(24,515)	-	10,421,927	-	-	-	10,397,412
Equity Related							
Total comprehensive profit / (loss) for the period	-	-	-	-	-	36,336,229	36,336,229
Total equity related other changes	-	-	-	-	-	36,336,229	36,336,229
Balance at June 30, 2024	-	120,668,279	171,565,096	15,000	476,299	(13,988,273)	278,736,401

35 NUMBER OF EMPLOYEES

	2024	2023
Total number of employees at end of the year	37	32
Average number of employees during the year	35	32

36 GENERAL

36.1 Capacity and Regassification

Product	Unit	Capacity of Regassification system		Regassification during the year	
		2024	2023	2024	2023
Regasified liquified natural gas	MMSCFD	600	600	418	266

36.2 Figures have been rounded off to the nearest thousand of rupee unless otherwise stated.

37 DATE OF AUTHORISATION OF ISSUE

These financial statements were authorized for issue by the Board of Directors on ________________.

Chief Executive Officer

Director