

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

## **For the year ended June 30, 2025**

Burshane LPG (Pakistan) Limited (the "Company") has complied with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) in the following manner:

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

- a) Male - 7
- b) Female - 1

2. The composition of board is as follows:

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

The determination of the number of Executive Directors based on the current composition of eight elected Directors results in a fractional value of 2.66, which is rounded up to three. The Board has fixed the total number of Directors at nine. One position for a Non-Executive Director remains vacant, and the Board is actively pursuing suitable candidates for appointment. Upon fulfillment of this vacancy, the determination will validate the appointment of three Executive Directors, thereby ensuring full compliance with the prescribed governance requirements.

3. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures;
5. The Board of Directors (the Board) has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ Shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board;
8. The Board has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations;
9. All directors on the Board, have acquired the Directors Training Program (DTP) certification;
10. No new appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit has been made. However, the Board has approved their annual remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief financial officer and Chief executive officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed following Committees comprising of members given below:

**a) Audit Committee**

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

**b) Human Resource and Remuneration Committee**

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

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the Committee for compliance;
14. The frequency of meetings of the Committees were as per following:
  - a) Audit Committee - 06 meetings were held during the year
  - b) HR and Remuneration Committee - 01 meeting was held during the year
15. The Board has set up an effective internal audit function, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company;
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the

Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of the regulations 3,6,7,27,32,33 and 36 of the Regulations have been complied with whereas for regulation 8, the matter has been explained in paragraph 2 above.
19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 (non-mandatory requirements) are below:

<b>S. No</b>	<b>Requirement</b>	<b>Explanation</b>	<b>Reg. No.</b>
1.	Role of the Board and its members to address Sustainability Risks and Opportunities The board is responsible for governance and oversight of sustainability risks and opportunities within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.	On 12 June 2024, the Securities and Exchange Commission of Pakistan (SECP) introduced Regulation 10A under the applicable regulatory framework. The management is currently reviewing the implications of this amendment, and any necessary measures to ensure compliance will be undertaken in due course.	10(A)
2.	The Board may constitute a separate committee, designated as the nomination committee and risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The management has scheduled a discussion in the forthcoming meeting of the Board of Directors to evaluate remedial measures and ensure regulatory alignment.	29 and 30

For and on behalf of the Board of Directors,

  
**Shaikh Abdus Sami**  
Chairman

  
**Asad Ali Khan**  
Director / CEO

Karachi, November 04, 2025

## INDEPENDENT AUDITOR'S REVIEW REPORT

### TO THE MEMBERS OF: BURSHANE LPG (PAKISTAN) LIMITED

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Burshane LPG (Pakistan) Limited for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.

Further, we highlight below instance of non-compliance with the requirements of the Code as reflected in the regulation reference where these are stated in the Statement of Compliance.

#### Mandatory (non-compliance)

S. No	Regulation Reference	Description
1	8(1)	During the year, the Board consist of total 8 members out of which three are Executive Directors. The Company has not provided any explanation to the SECP as to why the fraction of one-third is rounded up as one.

*Clarkson Hyde Saud Ansari*  
Clarkson Hyde Saud Ansari

Chartered Accountants

Engagement Partner: SAUD ANSARI

Karachi

Dated : November 1, 2025

UDIN: CR202510149bjt208JBC

