



BURSHANE LPG (PAKISTAN) LIMITED

Corporate Briefing Session
For the Financial Year
ended June 30, 2020



Venue:

Zoom online App.

Dated: June 29, 2021



Content:

1. Company Overview
2. Financial Highlights
3. Future Outlook
4. Question & Answers



COMPANY OVERVIEW

Burshane LPG (Pakistan) Limited is among the pioneers in LPG marketing and distribution in Pakistan. Company consistently developed and established its countrywide distribution network which is primarily focused to cater the needs of domestic users and deliver our best services to them.

Burshane's strategic goal is to establish itself as a leader among oil marketing companies by diversifying sales markets, ensuring reliable supplies, improving operating efficiency and fulfilling its scientific and technical potential.

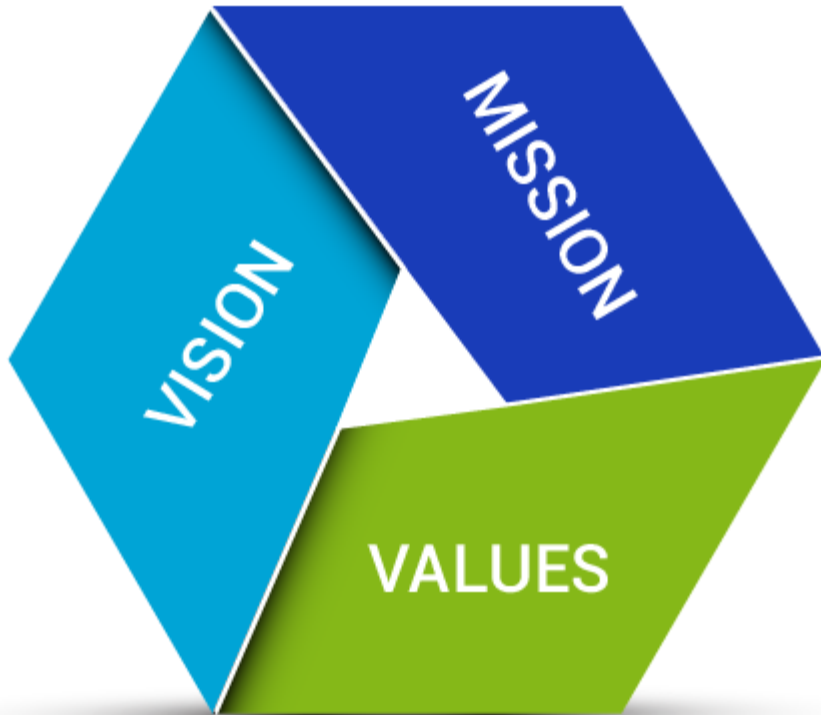
Management strategy has strengthened our business model and helped finding new ways to differentiate our company – including through the circular economy. We have built a new Burshane that is founded on efficiency, integration and new technologies.

VISION & MISSION

MISSION

The Objective of Burshane LPG (Pakistan) Limited is to engage efficiently, responsibility and profitability in the LPG and allied business. We seek a high Standard of performance, maintaining a strong long term and growing position in the competitive environment. The driving force behind experience professionals and its continuous efforts in maintaining high standards of technical resource and safety standards.

VISION



At Burshane LPG (Pakistan) Limited, we strive to provide quality customer service through continuous improvements in our effort to make uninterrupted supply of LPG to the users, development of our people and maintaining high standards of technical resources and safety standards. Further we aim at sustained profitability and value growth for our shareholders through strong financial foundation and loyal customers. We shall strive to provide better choices to our communities for improving quality of their life.

CORPORATE VALUES

TEAM WORK

Nobody can get there unless everybody gets there. We focus on leveraging collective efforts and nurture a culture of appreciating every job, big or small.

FAIRNESS

Fairness is a professional skill that must be developed and exercised. We keep fairness paramount, we do what we say.



BELIEF

Achieving something requires belief in oneself, anything is possible for those who believe. We believe in our products, our processes, our partners and above all, we believe in each other.

EXCELLENCE

Excellence is not an exception, it is a prevailing attitude. We view excellence as a continuous process of raising the bar in everything we do.

LEADERSHIP

Business performance is driven by effective leaders who can truly inspire people to unleash their personal and collective potential. We provide leadership as a company and as individuals with vision, communication and passion

COMPANY PROFILE

BOARD OF DIRECTORS

Mr. Shaikh Abdus Sami
Mr. Asad Alam Khan
Ms. Hamdia Fatin Niazi
Mr. Darayus T. Sethna
Mr. Shahriar D. Sethna
Mr. Saiffee Zakiuddin
Ms. Shahbano Hameed
Mr. Muhammad Khalid Dar
Maj. Gen Rafiullah Khan (R)

Chairman/Independent Director
CEO / Director
Director
Director
Director
Director
Director (NIT Nominee)
Director
Independent Director

AUDITORS

BDO Ibrahim & Co., Chartered
Accountants

LEGAL ADVISORS

Mohsin Tayebaly & Co.

TAX ADVISORS

Maavins Solution

SHARE REGISTRAR

THK Associates (Pvt.) Limited

MANAGEMENT

Mr. Asad Alam Khan
Mr. Saiffee Zakiuddin
Mr. Khurram Kasbati
Mr. Muhammad Khalid Dar
Mr. Irfan Javed Warsi
Mr. Amir Aziz
Mr. Asad Wasty
Mr. Murtaza Saifuddin

Chief Executive Officer
Director Finance
Chief Financial Officer
Director Marketing & Sales
General Manager Commercial & Business Development (HR)
Head of Operations, Distribution & HSSE
Head of Internal Audit
Company secretary & Finance Controller

CONVENIENT & SAFE DOMESTIC USE



In both urban and rural areas, LPG is being widely used as an alternative source of Natural Gas or where there is no access to central gas pipeline. In domestic segment LPG is used mainly for cooking and heating purposes, for economic reasons, convenience over traditional fuels as well as to ensure Environment (HSSE).

Burshane LPG (Pakistan) Limited is among the pioneers in LPG marketing and distribution in Pakistan. Company incorporated in 1966 and consistently developed and established its countrywide distribution network which is primarily focused to cater the needs of domestic users and deliver our best services to them.

Burshane LPG has a very clear strategy to offer and deliver differentiated Customer Value Propositions to various segments of market, to increase customer satisfaction and retain its position as the premium LPG brand available in market.

Company is committed on attracting more customers and enhancing the brand by providing products and services to create customer loyalty and market share on a sustainable basis. Consistent focus on our CVP across the entire value chain has distinguished our brand among competitors in industry. Our core values of honesty, integrity and respect for people are at the heart of the way we manage our business.



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LPG Autogas is by far the most widely available environmentally friendly alternative fuel. Recent independent tests have also shown that LPG has the best environmental record compared with petrol and diesel. Driving an LPG vehicle is safe, easy and best of all, much cheaper than driving a petrol or diesel model. Engines running on LPG produce less harmful emissions compared to petrol or diesel, whilst making significant savings at the pumps.

EFFICIENT

ECO-FRIENDLY

LPG is a clean

- burning fuel which cleans the environment by reducing air pollution. It has absolutely no lead content (safe vehicle fuel) - the perfect environment alternative - and is cheaper than gasoline. It contributes to a healthier working environment and has virtually no harmful exhaust emission.

LPG is the fuel of the future. Apart from being environmentally friendly, in Pakistan it can significantly contribute to the economy by replacing Kerosene. It can also assist in reducing de-forestation in cases where wood is used as a source of energy, thus making the environment pollution free and healthier. De-forestation leads to serious environmental damage and disturbs the ecological balance causing erosion and landslides in these areas. Thus there is a need to increase the availability, as well as usage of LPG, as it can to some extent overcome the de-forestation problem of the country.

Burshane LPG (Pakistan) Limited is actively playing its role by promoting the superior environment and convenient aspects of LPG.

HEALTH, SAFETY, SECURITY & ENVIRONMENT

HSSE

They ensure that all HSSE policies are properly observed by providing support and resources for actions taken to operate safely and to protect health, environment and to exert a positive influence on the HSSE management of contractors as they play a major role in achieving a high level of HSSE performance. This is evident by the fact that the period under review is without any lost time injury (LTI). As a responsible cooperate citizen, we at Burshane always belief that the only way to sustainable development is through a strong commitment to Health, Safety, Security and Environment in all areas of our business.

In Burshane, HSSE is managed as the most critical business activity. The Management at Burshane demonstrates strong, visible leadership and commitment by allocating sufficient resources to operate and maintain HSSE Management System and lead by example in their personal actions and behaviors.

BURSHANE LPG PAKISTAN





Financial Year ended
June 30, 2020

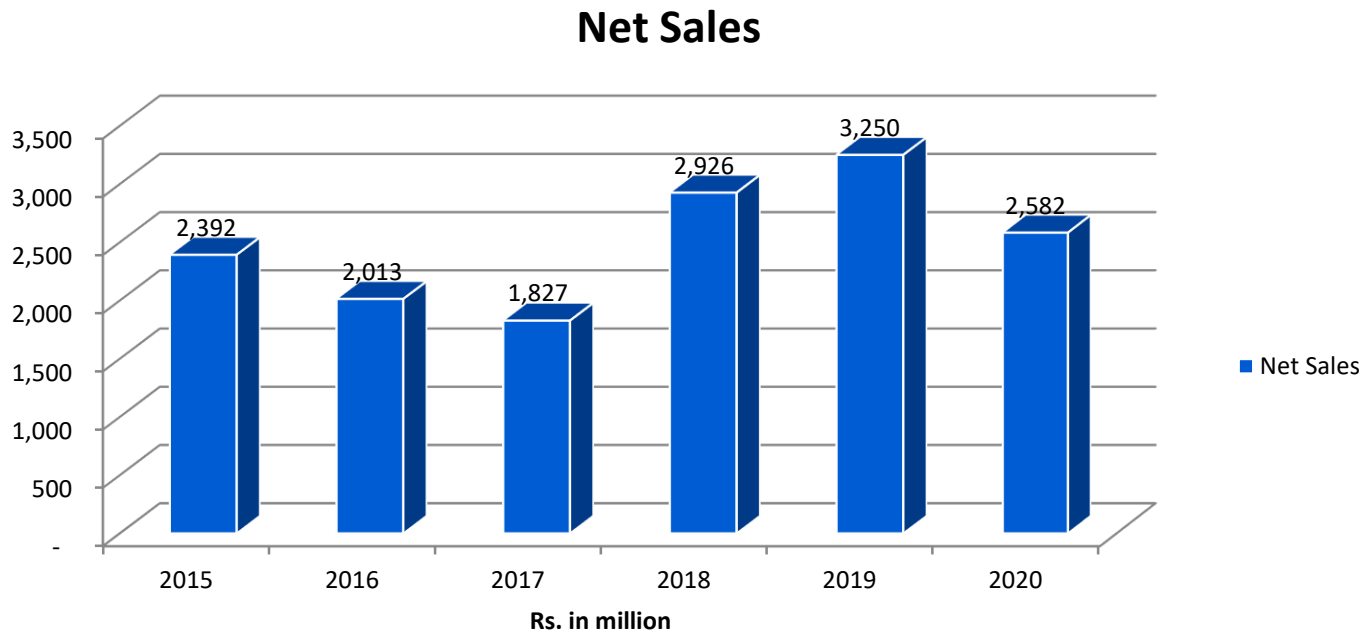
FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

Financial Results for the year ended June 30, 2020

		2020	2019
	Note	----- (Rupees in '000) -----	
Sales - net	33	2,582,454	3,249,870
Cost of sales	34	(2,448,638)	(3,034,515)
Gross profit		133,816	215,355
Administrative expenses	35	(111,555)	(106,575)
Distribution and marketing expenses	36	(70,600)	(68,780)
Other income	37	34,996	42,645
Other expenses	38	(12,665)	(12,779)
		(159,824)	(145,489)
Operating (loss) / profit		(26,008)	69,866
Financial costs	39	(44,551)	(4,892)
(Loss) / profit before taxation		(70,559)	64,974
Taxation	40	(39,270)	(39,117)
Net (loss) / profit for the year		(109,829)	25,857
----- (In Rupees) -----			
(Loss) / earning per share - basic and diluted	41	(4.88)	1.15

FINANCIAL HIGHLIGHTS

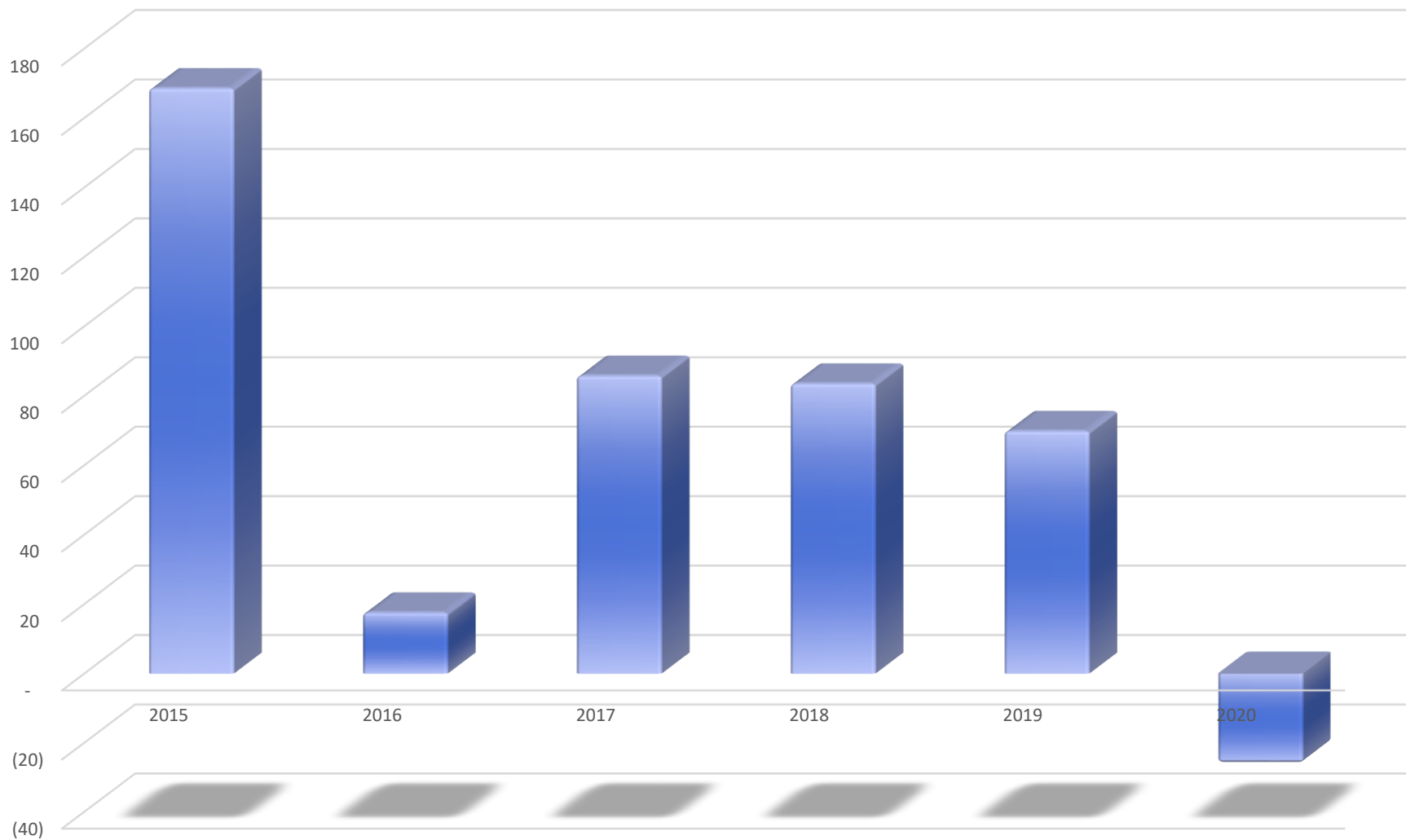


During the year 2019-20 net sales of the company as compared to last year were decreased by around 20% year on year basis due to global pandemic COVID-19.

FINANCIAL HIGHLIGHTS

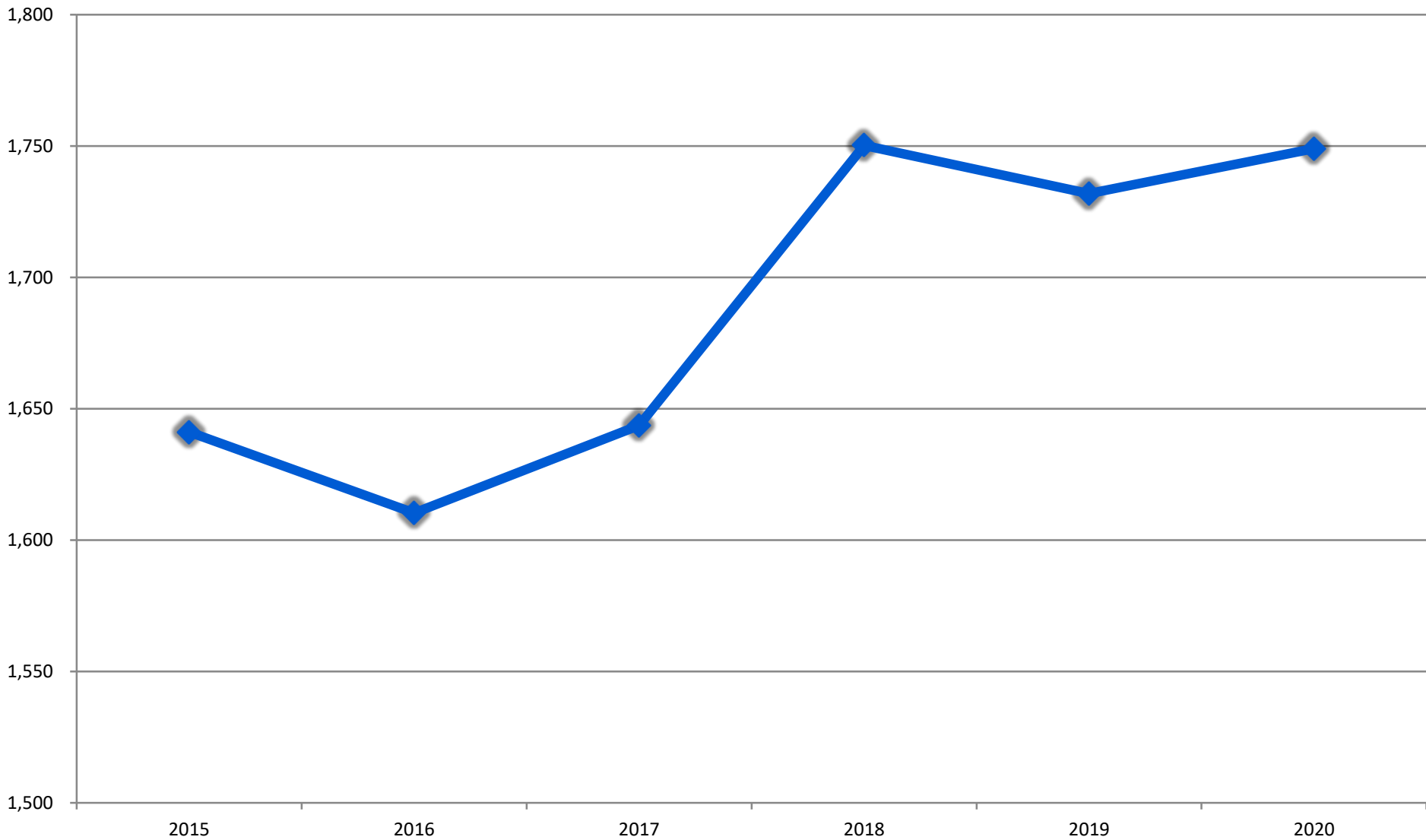
Operating profit

Rs. in million



FINANCIAL HIGHLIGHTS

Total Assets

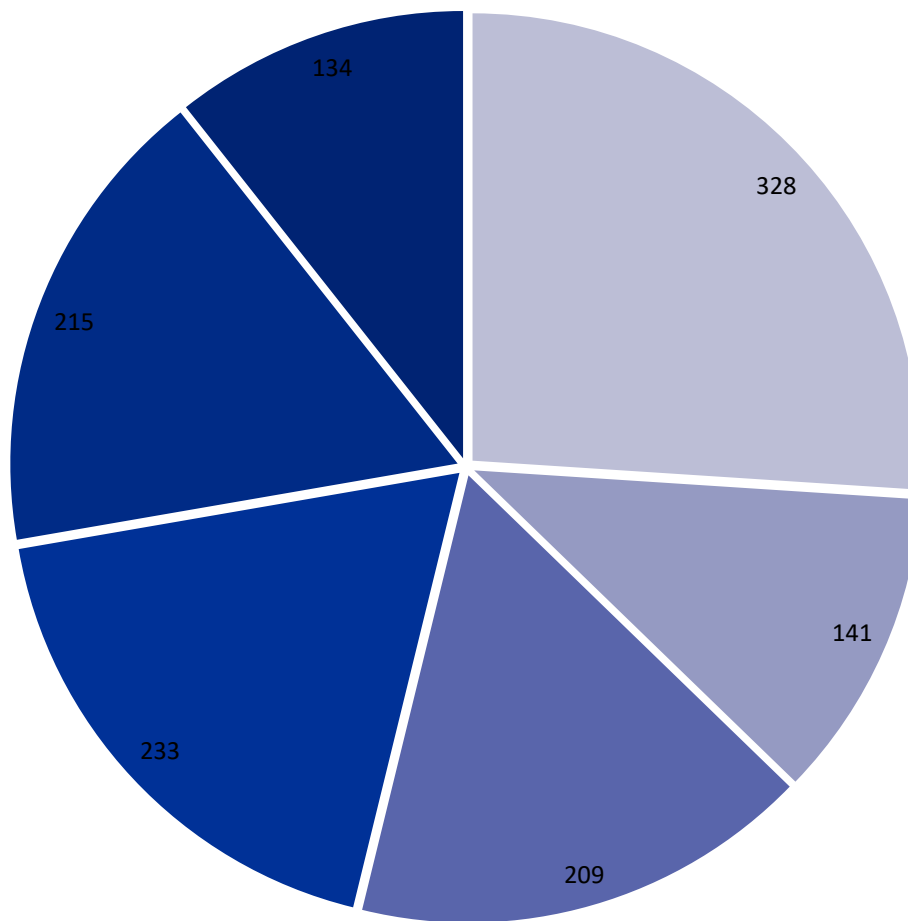


FINANCIAL HIGHLIGHTS

Gross Profit

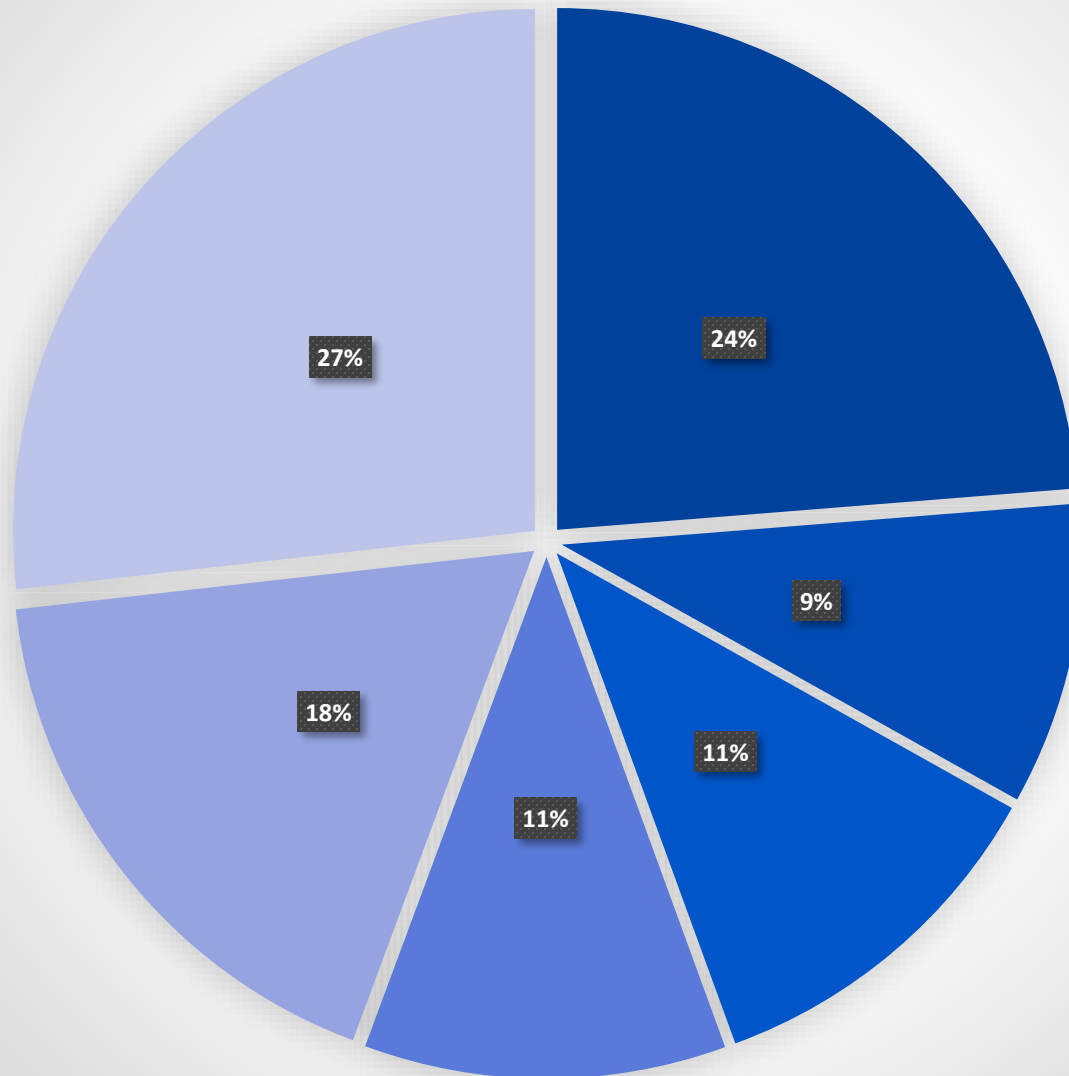
■ 2015 ■ 2016 ■ 2017 ■ 2018 ■ 2019 ■ 2020

Rs. in million



FINANCIAL HIGHLIGHTS

Cash & Cash equivalents



- 2015
- 2016
- 2017
- 2018
- 2019
- 2020

VERTICAL ANALYSIS OF FINANCIAL STATEMENTS

	2020		2019		2018		2017		2016		2015	
	---Rupees 000---	%	---Rupees 000---	%	---Rupees 000---	%	---Rupees 000---	%	---Rupees 000---	%	---Rupees 000---	%
Balance Sheet												
Non-current assets	1,329,227	76%	1,293,975	75%	1,347,943	77%	1,342,035	82%	1,278,418	79%	1,197,764	73%
Current assets	420,223	24%	437,872	25%	402,295	23%	301,658	18%	331,917	21%	443,387	27%
Total assets	1,749,450	100%	1,731,847	100%	1,750,238	100%	1,643,693	100%	1,610,335	100%	1,641,151	100%
Equity	352,741	20%	544,679	31%	497,656	28%	503,554	31%	507,382	32%	537,610	33%
Surplus on revaluation of fixed assets	336,415	19%	274,765	16%	274,765	16%	274,765	17%	274,765	17%	274,765	17%
Non-current liabilities	431,771	25%	388,579	22%	377,031	22%	382,437	23%	463,746	29%	538,986	33%
Current Liabilities	628,523	36%	523,824	30%	600,786	34%	482,937	29%	364,442	23%	289,790	18%
Total equity and liabilities	1,749,450	100%	1,731,847	100%	1,750,238	100%	1,643,693	100%	1,610,335	100%	1,641,151	100%
Net sales												
Net sales	2,582,454	100%	3,249,870	100%	2,926,076	100%	1,826,825	100%	2,012,770	100%	2,391,891	100%
Cost of product sold	(2,448,638)	-95%	(3,034,515)	-93%	(2,693,563)	-92%	(1,617,005)	-89%	(1,871,442)	-93%	(2,063,874)	-86%
Gross profit	133,816	5%	215,355	7%	232,513	8%	209,820	11%	141,328	7%	328,017	14%
Administrative expenses	(111,555)	-4%	(106,575)	-3%	(108,690)	-4%	(92,102)	-5%	(80,816)	-4%	(73,320)	-3%
Distribution and marketing expenses	(70,600)	-3%	(68,780)	-2%	(64,224)	-2%	(62,752)	-3%	(65,283)	-3%	(90,100)	-4%
Other operating income	34,996	1%	42,645	1%	35,525	1%	49,812	3%	45,133	2%	25,949	1%
Other operating expenses	(12,665)	-0.5%	(12,779)	-0.4%	(11,567)	-0.4%	(18,985)	-1%	(22,750)	-1%	(21,943)	-1%
	(159,824)	-6%	(145,489)	-4%	(148,956)	-5%	(124,027)	-7%	(123,716)	-6%	(159,414)	-7%
Operating profit	(26,008)	-1%	69,866	2%	83,557	3%	85,793	5%	17,612	1%	168,603	7%
Finance costs	(44,551)	-1.7%	(4,892)	-0.2%	(29,976)	-1%	(35,162)	-2%	(31,580)	-2%	(18,375)	-1%
Profit / (loss) before taxation	(70,559)	-3%	64,974	2%	53,581	2%	50,631	3%	(13,968)	-1%	150,228	6%

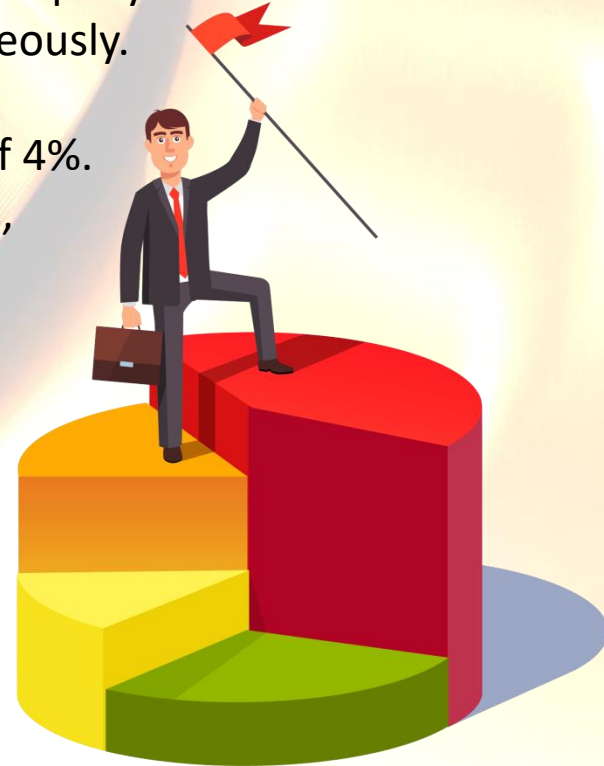
FUTURE OUTLOOK

In Pakistan, more than 200 companies have license for LPG marketing by OGRA. Hence, it's a highly fragmented industry with players having diluted market shares.

Where as the number of distributors are approximately around 5,000 OGRA registered. In last couple of years, industry supply source is quite dependent on the imported LPG Gas.

In the current economic situation and COVID-19 pandemic, the Company still aims to achieve results with growth in sales in terms of supply and value simultaneously.

Currently Burshane LPG (Pakistan) Limited, have a market share of 4%. However, with increasing consumer and industrial demand of Gas, the Company is looking forward to capture more markets by considering new sales avenues and opportunities.



Q&A SESSION

 Any
Questions?

THANK YOU