Hi-Tech Lubricants Ltd

Condensed Interim Financial Information

For the Quarter Ended 30 September 2024
(Un-Audited)

FUELING GROWTH

DRIVING PROGRESS WITH SUSTAINABILITY

COMPANY **INFORMATION**

BOARD OF **DIRECTORS**

Mr. Shaukat Hassan
Chairman of the Board / Non Executive Director

Mr. Hassan Tahir
Chief Executive Officer / Executive Director

Mr. Muhammad Ali Hassan
Executive Director

Ms. Mehvish Khan
Non Executive Director

Ms. Mavira Tahir
Non Executive Director

Mr. Faraz Akhtar Zaidi
Non Executive Director

Mr. Muntizer Abbas Hussain
Non Executive Independent Director

Mr. Mahmood Akhtar
Non Executive Independent Director

Mr. Shafiq Ur Rehman
Non Executive Independent Director

Mr. Wonjin Yoon (Nominee of SK Enmove Co. Ltd.).
Non Executive Director

CHIEF FINANCIAL **OFFICER**

Mr. Muhammad Imran
Phone: +92-42-111-645-645
Fax: +92- 42-3631-18-14

COMPANY SECRETARY & **CHIEF COMPLIANCE OFFICER**

Mr. Fraz Amjad Khawaja
Phone: +92-42-111-645-645
Fax: +92- 42-3631-18-14

EXTERNAL **AUDITORS**

M/S Riaz Ahmed & Company, Chartered Accountants
10-B, Saint Marry Park,
Main Boulevard Gulberg, Lahore
Phone: +92-42-35718137
Fax: +92-42-35714340

SHARE **REGISTRAR**

M/S CDC Share Registrar Services Limited, CDC House,
99-B, Block 'B', S.M.C.H.S. Main Shahra-e-Faisal, Karachi-74400
Phone: +92-21-111-111-500, Fax: +92-21-34326053
Toll Free: 0800 23275 (CDCPL)
Email Address: info@cdcsrsl.com
Website: www.cdcsrsl.com

LEGAL **ADVISOR**

Mr. Ijaz Lashari
Lashari Law Associates, 22-Munawar Chamber,
1-Mozang Road, Lahore
Phone: +92-42-37359287
Fax: 92-42-37321471

STOCK **SYMBOL**

HTL

REGISTERED / **HEAD OFFICE**

1-A , Danepur Road, GOR - 1, Lahore
Phone: +92-42-111-645-645
Fax: +92- 42-3631-18-14
Email Address: info@masgroup.org

REGIONAL **OFFICES**

KARACHI **OFFICE:**

C-6/1, Street No.3, Bath Island, Clifton Karachi
Phone: +92-21-35290674-5

ISLAMABAD **OFFICE:**

Suite No. 1402, 14th Floor, Green Trust Tower,
Jinnah Avenue, Blue Area Islamabad.
Phone: +92-51-2813054-6

MULTAN **OFFICE:**

House No. 95, Block C, Phase III, Model Town, Multan.
Phone: +92-61-6521101-3

PESHAWAR **OFFICE:**

Office No.280, 3rd Floor, Deans Trade Centre,
Islamia Road, Peshawar Cantt.
Phone: +92-91-5253186-7

OMC **OFFICE:**

House No. 57-C 1, Gulberg III, Lahore.
Phone: +92-42-35199391

HTBL **LOCATION**

7-Km, Sundar Raiwind Road, Bhaikot, Lahore.
Phone: +92-42-38102781-5
Fax: +92-42-36311884

COMPANY **WEBSITE:**

www.hitechlubricants.com
www.zicoil.pk

BANKERS

ISLAMIC **BANKS**

Meezan Bank Limited
AL-Baraka Bank Limited
Dubai Islamic Bank Limited

CONVENTIONAL **BANKS**

MCB Bank Limited
Standard Chartered Bank Limited
Habib Metropolitan Bank Limited
The Bank of Punjab
Bank AL-Habib Limited
National Bank of Pakistan
Askari Bank Limited
JS Bank Limited
Habib Bank Limited
United Bank Limited
Summit Bank Limited
Samba Bank
Faysal Bank
Bank Alfalah Limited
Soneri Bank Limited
Mobilink Mircrofinance Bank Limited

Directors' Review

Dear Shareholders,

The Directors of Hi-Tech Lubricants Limited (the Company) take the pleasure in presenting financial information of the Company including **unconsolidated** and **consolidated unaudited financial** information for the quarter ended September 30, 2024.

During this period, the Company recorded net revenue of PKR 7.1 billion, an increase of 74% as compared to same period of last year due primarily by high volume increases in our OMC division. The lubricants segment also witnessed growth driven primarily by effective pricing management. Profit after tax was PKR 20 million which is disappointing, as finance costs remain high for the company. We expect to improve on this in the future.

As previously announced, the Company has signed a Memorandum of Understanding (MOU) with its principal supplier SK Enmove Co. Ltd., South Korea, (SKEN) for supply of specific additives, ingredients and formulas for blending and packaging of international quality / high end synthetic lubricant products under the ZIC brand name at our blending plant.

This significant move will help reduce costs and expenses, including specifically the duties and taxes when compared to the import of fully blended / packed lubricant products from South Korea. This will allow the Company to improve its margin and become more competitive in the more price-sensitive segments of the industry.

The production of these lubricants are expected to begin in the 2nd quarter of the year 2024-25.

As of today, the company operates 57 fuel stations, 40 in Punjab and 17 in KPK provinces. We expect that the majority of remaining fuel stations shall be operative by June 30, 2025, provided all regulatory approvals are in place. Expansion of network is critical for improvement in company's profitability through increase in volume of fuel products.

Running finance facilities have been managed well to reduce finance cost. Your management is making planned efforts to maintain optimum inventory levels in all segments in order to control exorbitant financial cost.

Initial Public Offer (IPO) Funds

Total payments made out of IPO Funds for Oil Marketing Company (OMC) project during the quarter under review were PKR 8.53 million. As of 30 September 2024, un-utilized proceeds of IPO Funds were PKR 209.86 million. The Company has kept these funds as bank balances, term deposit receipts and investment in mutual funds. These funds can only be utilized for the purposes of expansions of new/expansion of OMC project.

Currently, the Company has eight operational HTL Express Centers, four in Lahore, three in Karachi and one in Rawalpindi. Further, as of today, the company operates 57 fuel stations, 40 in Punjab and 17 in KPK provinces.

Delay in obtaining No Objection Certificates (NOCs) from concerned departments including District Coordination Officer (DCO) and OGRA's approval for setting up fuel stations delayed use of IPO funds.

We expect that the majority of remaining fuel stations shall be operative by June 30, 2025 and IPO funds expected to be utilized fully provided all regulatory approvals are in place.

We trust that all stakeholders would surely appreciate that the substantial income being generated from temporary investment of un-utilized IPO proceeds is also being safely kept and utilized on OMC project of the Company. In view of the aforesaid and the due role the company is playing in effective utilization of every penny of IPO funds and its safekeeping in the best interest of all shareholders.

Future Outlook

In the Finance Bill 2024, many taxes on lubricants have been announced that will adversely impact our major business operations and pricing management. We are evaluating the impact on our performance and future growth.

As aforementioned we have taken major step of local blending of the product under direct supervision of our Korean joint venture partner. There will be major saving in import duties, due to which our products will be more competitive. Your management is focusing to increase its market positioning in middle to low tier priced products, which has huge potential for increased market share of our products.

We anticipate that there will be further reduction in finance costs. This coupled with our business strategy will hopefully have positive impact on the financial performance of the company.

We take pleasure in expressing our sincere gratitude and appreciation for the outstanding commitment and contribution of all the employees, investors and other stakeholders in the Company's management.

Mr. Hassan Tahir
(Chief Executive)
Lahore, 26 October, 2024

Mr. Shaukat Hassan
(Chairman)

ڈائریکٹران کا جائزہ

محترم حصص داران!

ہائی ٹیک لبریکنٹس لمیٹڈ (کمپنی) کے ڈائریکٹرز 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کی مالی معلومات بشمول غیر متفقہ اور مستحکم غیر آڈیٹ شدہ مالی معلومات پیش کرنے میں خوشی محسوس کرتے ہیں۔

اس مدت کے دوران، کمپنی نے 7.1 بلین روپے کی خالص آمدنی ریکارڈ کی، جو گزشتہ سال کی اسی مدت کے مقابلے میں 74% زیادہ ہے جس کی وجہ بنیادی طور پر ہمارے OMC ڈویژن میں بڑے حجم میں اضافہ ہے۔ لبریکینٹ سیگمنٹ نے بھی بنیادی طور پر موثر قیمتوں کے انتظام کی وجہ سے ترقی کا مشاہدہ کیا۔ ٹیکس کے بعد منافع 20 ملین روپے تھا جو مایوس کن ہے، کیونکہ کمپنی کے لیے مالیاتی اخراجات زیادہ ہیں۔ ہم مستقبل میں اس میں بہتری کی توقع رکھتے ہیں۔

جیسا کہ پہلے اعلان کیا گیا تھا، کمپنی نے اپنے پرنسپل سپلائر، SK Enmove Co. Ltd., South Korea (SKEN) کے ساتھ بین الاقوامی معیار/ اعلیٰ کی ملاوٹ اور پیکیجنگ کے لیے مخصوص اضافی اشیاء، اجزاء اور فارمولوں کی فراہمی کے لیے مفاہمت کی یادداشت (MOU) پر دستخط کیے ہیں۔ ہمارے بلینڈنگ پلانٹ میں ZIC برانڈ نام کے تحت مصنوعی چکنا کرنے والی مصنوعات کو ختم کریں۔

اس اہم اقدام سے لاگت اور اخراجات کو کم کرنے میں مدد ملے گی، بشمول خاص طور پر ڈیوٹیز اور ٹیکس جب کہ جنوبی کوریا سے مکمل طور پر ملاوٹ شدہ/ پیکڈ لبریکینٹ مصنوعات کی درآمد کے مقابلے میں۔ یہ کمپنی کو اپنے مارجن کو بہتر بنانے اور صنعت کے زیادہ قیمت کے حساس حصوں میں زیادہ مسابقتی بننے کی اجازت دے گا۔

ان لبریکینٹ مادوں کی پیداوار سال 2024-25 کی دوسری سہ ماہی میں شروع ہونے کی امید ہے۔

آج تک، کمپنی 57 فیول اسٹیشن چلا رہی ہے، پنجاب میں 40 اور KPK صوبوں میں 17۔ ہم توقع کرتے ہیں کہ باقی ماندہ ایندھن کے زیادہ تر اسٹیشن 30 جون 2025 تک کام کر جائیں گے، بشرطیکہ تمام ریگولیٹری منظوریاں موجود ہوں۔ ایندھن کی مصنوعات کے حجم میں اضافے کے ذریعے کمپنی کے منافع میں بہتری کے لیے نیٹ ورک کی توسیع ضروری ہے۔

مالیاتی لاگت کو کم کرنے کے لیے مالیاتی سہولیات کو اچھی طرح سے منظّم کیا گیا ہے۔ آپ کی انتظامیہ بہت زیادہ مالی لاگت کو کنٹرول کرنے کے لیے تمام طبقات میں انوینٹری کی بہترین سطح کو برقرار رکھنے کے لیے منصوبہ بند کوششیں کر رہی ہے۔

ابتدائی عوامی پیشکش (IPO) فنڈز

زیر جائزہ سہ ماہی کے دوران آئی پی او فنڈز برائے آئل مارکیٹنگ کمپنی (OMC) پروجیکٹ سے کی گئی کل ادائیگیاں 8.53 ملین روپے تھیں۔ 30 ستمبر 2024 تک، IPO فنڈز کی غیر استعمال شدہ رقم 209.86 ملین روپے تھی۔ کمپنی نے ان فنڈز کو بینک بیلنس، ٹرم ڈپازٹ کی رسیدیں اور میوچل فنڈز میں سرمایہ کاری کے طور پر رکھا ہے۔ یہ فنڈز صرف OMC پروجیکٹ کے نئے/ توسیع کے مقاصد کے لیے استعمال کیے جا سکتے ہیں۔

فی الحال، کمپنی کے آٹھ آپریشنل HTL ایکسپریس سینٹرز ہیں، چار لاہور میں، تین کراچی میں اور ایک راولپنڈی میں۔ مزید، آج تک، کمپنی 57 فیول اسٹیشن چلا رہی ہے، پنجاب میں 40 اور KPK صوبوں میں 17۔

متعلقہ محکموں بشمول ڈسٹرکٹ کوآرڈینیشن آفیسر (ڈی سی او) اور اوگرا کی جانب سے فیول اسٹیشنز کے قیام کی منظوری کے حصول میں تاخیر سے آئی پی او فنڈز کے استعمال میں تاخیر ہوئی۔

ہم توقع کرتے ہیں کہ باقی ماندہ فیول اسٹیشنز کی اکثریت 30 جون 2025 تک فعال ہو جائے گی اور IPO فنڈز کے مکمل استعمال ہونے کی توقع ہے بشرطیکہ تمام ریگولیٹری منظوریں موجود ہوں۔

ہمیں یقین ہے کہ تمام اسٹیک ہولڈرز یقینی طور پر اس بات کی تعریف کریں گے کہ غیر استعمال شدہ IPO کی رقم کی عارضی سرمایہ کاری سے حاصل ہونے والی خاطر خواہ آمدنی کو بھی کمپنی کے OMC پروجیکٹ پر محفوظ طریقے سے رکھا اور استعمال کیا جا رہا ہے۔ مذکورہ بالا اور مناسب کردار کے پیش نظر کمپنی IPO فنڈز کی ہر ایک پائی کے موثر استعمال اور تمام شیئر ہولڈرز کے بہترین مفاد میں اس کی حفاظت میں ادا کر رہی ہے۔

مستقبل کا نقطہ نظر

فنانس بل 2024 میں، لبریکینٹس پر بہت سے ٹیکسوں کا اعلان کیا گیا ہے جو ہمارے بڑے کاروباری آپریشنز اور قیمتوں کے انتظام پر منفی اثر ڈالیں گے۔ ہم اپنی کارکردگی اور مستقبل کی ترقی پر پڑنے والے اثرات کا جائزہ لے رہے ہیں۔

جیسا کہ مذکورہ بالا ہم نے اپنے کوریائی جوائنٹ وینچر پارٹنر کی براہ راست نگرانی میں مصنوعات کی مقامی ملاوٹ کا بڑا اقدام اٹھایا ہے۔ درآمدی ڈیوٹی میں بڑی بچت ہوگی جس کی وجہ سے ہماری مصنوعات زیادہ مسابقتی ہوں گی۔ آپ کی انتظامیہ درمیانی سے کم قیمت والی مصنوعات میں اپنی مارکیٹ پوزیشننگ کو بڑھانے پر توجہ مرکوز کر رہی ہے، جس میں ہماری مصنوعات کے مارکیٹ شیئر میں اضافے کی بڑی صلاحیت ہے۔

ہم توقع کرتے ہیں کہ مالیاتی اخراجات میں مزید کمی ہوگی۔ یہ ہماری کاروباری حکمت عملی کے ساتھ مل کر امید ہے کہ کمپنی کی مالی کارکردگی پر مثبت اثر ڈالے گا۔

ہم کمپنی کے انتظام میں تمام ملازمین، سرمایہ کاروں اور دیگر اسٹیک ہولڈرز کے شاندار عزم اور شراکت کے لیے اپنے مخلصانہ شکریہ اور تعریف کا اظہار کرتے ہوئے خوشی محسوس کرتے ہیں۔

جناب حسن طاہر	**جناب شوکت حسن**
(چیف ایگزیکٹیو)	**(چیئرمین)**

لاہور، ۲۶ اکتوبر ۲۰۲۴ء

HI-TECH LUBRICANTS LIMITED

Unconsolidated Condensed Interim Financial Information (Un-audited)

Unconsolidated Condensed Interim Statement Of Financial Position (Un-audited)

As At 30 September 2024

	Note	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 150,000,000 (2024: 150,000,000) ordinary shares of Rupees 10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital		1,392,048,000	1,392,048,000
Reserves		2,628,122,375	2,546,312,681
Total equity		4,020,170,375	3,938,360,681
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	4	480,203,086	497,633,412
Long term deposits		14,871,920	15,000,000
		495,075,006	512,633,412
CURRENT LIABILITIES			
Trade and other payables		1,554,420,767	2,559,181,892
Accrued mark-up		67,159,747	67,682,083
Short term borrowings	5	2,100,310,202	1,777,187,767
Current portion of non-current liabilities		145,289,685	149,684,305
Unclaimed dividend		5,689,417	5,689,417
Provision for taxation and levy - net		25,613,098	-
		3,898,482,916	4,559,425,464
Total liabilities		4,393,557,922	5,072,058,876
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		8,413,728,297	9,010,419,557

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

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

	Note	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	7	2,813,052,939	2,771,812,271
Right-of-use assets	8	561,719,515	591,486,919
Intangible assets	9	909,656	1,197,692
Investment in subsidiary company		1,300,000,600	1,300,000,600
Long term security deposits		29,718,769	37,718,769
Long term loans to employees		1,817,395	2,050,936
Deferred income tax asset - net		162,754,237	144,162,496
		4,869,973,111	4,848,429,683
CURRENT ASSETS			
Stock-in-trade	10	1,429,151,390	1,789,235,831
Trade debts		582,092,774	1,019,801,916
Loans and advances		564,922,444	245,698,687
Short term deposits and prepayments		52,399,123	27,756,981
Other receivables		470,454,793	365,876,118
Accrued interest		19,899,899	3,486,137
Short term investments		217,927,808	222,717,061
Cash and bank balances		71,906,955	352,417,143
		3,408,755,186	4,026,989,874
Non-current asset classified as held for sale		135,000,000	135,000,000
		3,543,755,186	4,161,989,874
TOTAL ASSETS		8,413,728,297	9,010,419,557

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

Chief Executive

Director

Chief Financial Officer

Unconsolidated Condensed Interim Statement of Profit or Loss (Un-audited)

For The Quarter Ended 30 September 2024

	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees Restated
GROSS REVENUE FROM CONTRACTS WITH CUSTOMERS	7,421,037,121	4,533,631,542
Discounts	(14,310,820)	(127,123,642)
Sales tax	(417,890,224)	(406,997,492)
NET REVENUE FROM CONTRACTS WITH CUSTOMERS	6,988,836,077	3,999,510,408
COST OF SALES	(6,390,489,260)	(3,694,047,580)
GROSS PROFIT	598,346,817	305,462,828
DISTRIBUTION COST	(261,475,310)	(208,486,346)
ADMINISTRATIVE EXPENSES	(197,119,070)	(169,046,888)
OTHER EXPENSES	(4,823,927)	(14,421,602)
	(463,418,307)	(391,954,836)
OTHER INCOME	96,155,636	140,514,011
PROFIT FROM OPERATIONS	231,084,146	54,022,003
FINANCE COST	(136,526,191)	(138,444,731)
PROFIT / (LOSS) BEFORE TAXATION AND LEVY	94,557,955	(84,422,728)
LEVY	(31,340,002)	(17,836,800)
PROFIT / (LOSS) BEFORE TAXATION	63,217,953	(102,259,528)
TAXATION	18,591,741	(14,695,306)
PROFIT / (LOSS) AFTER TAXATION	81,809,694	(116,954,834)
PROFIT / (LOSS) PER SHARE - BASIC AND DILUTED	0.59	(0.84)

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

Chief Executive

Director

Chief Financial Officer

Unconsolidated Condensed Interim
Statement of Comprehensive Income (Un-audited)

For The Quarter Ended 30 September 2024

	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees
PROFIT / (LOSS) AFTER TAXATION	81,809,694	(116,954,834)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss:		
Surplus on revaluation of freehold land	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the period	-	-
TOTAL COMPREHENSIVE PROFIT / (LOSS) FOR THE PERIOD	81,809,694	(116,954,834)

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

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

Unconsolidated Condensed Interim Statement OF Cash Flows (Un-audited)

For The Quarter Ended 30 September 2024

	Note	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	11	9,362,535	220,813,381
Finance cost paid		(137,048,527)	(133,320,716)
Income tax paid		(31,472,091)	(149,240,448)
Net increase in long term loans to employees		(700,623)	(700,625)
Net decrease in long term security deposits		8,000,000	-
Decrease in long term deposits		(128,080)	(1,000,000)
Net cash used in operating activities		(151,986,786)	(63,448,408)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on operating fixed assets		(77,078,435)	(37,956,954)
Capital expenditure on intangible assets		-	-
Short term loan given to subsidiary company		(352,000,000)	(17,000,000)
Short term loan repaid by subsidiary company		-	55,000,000
Short term investments - net		5,979,233	11,897,094
Dividends received		198,713	8,406,591
Interest received on short term loan to subsidiary company		-	45,954,988
Profit on bank deposits and term deposit receipt received		437,791	15,881,339
Net cash from / (used in) investing activities		(427,937,069)	82,183,058
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(23,708,768)	(37,210,107)
Dividend paid		-	(22,773)
Short term borrowings - net		323,122,435	15,713,272
Net cash used in financing activities		299,413,667	(21,519,608)
Net decrease in cash and cash equivalents		(280,510,188)	(2,784,958)
Cash and cash equivalents at the beginning of the period		352,417,143	239,411,720
Cash and cash equivalents at the end of the period		71,906,955	236,626,762

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

Chief Executive

Director

Chief Financial Officer

Unconsolidated Condensed Interim Statement Of Changes In Equity (Un-audited)

For The Quarter Ended 30 September 2024

	SHARE CAPITAL	RESERVES					TOTAL EQUITY
		CAPITAL RESERVES			REVENUE RESERVE	TOTAL RESERVES	
		SHARE PREMIUM	SURPLUS ON REVALUATION OF FREEHOLD LAND	SUB-TOTAL	UN-APPROPRIATED PROFIT		
	Rupees						
Balance as at 30 June 2023 - Audited	**1,392,048,000**	**1,441,697,946**	**756,846,956**	**2,198,544,902**	**232,352,482**	**2,430,897,384**	**3,822,945,384**
Transaction with owners:							
Loss for the quarter ended 30 September 2023	-	-	-	-	(116,954,834)	(116,954,834)	(116,954,834)
Other comprehensive loss for the quarter ended 30 September 2023	-	-	-	-	-	-	-
Total comprehensive loss for the quarter 30 September 2023	-	-	-	-	(116,954,834)	(116,954,834)	(116,954,834)
Balance as at 30 September 2023 - Un-Audited	1,392,048,000	1,441,697,946	756,846,956	2,198,544,902	115,397,648	2,313,942,550	3,705,990,550
Balance as at 30 June 2024 - Audited	**1,392,048,000**	**1,441,697,946**	**760,858,456**	**2,202,556,402**	**343,756,279**	**2,546,312,681**	**3,938,360,681**
Profit for the quarter ended 30 September 2024	-	-	-	-	81,809,694	81,809,694	81,809,694
Other comprehensive profit for the quarter ended 30 September 2024	-	-	-	-	-	-	-
Total comprehensive profit for the quarter 30 September 2024	-	-	-	-	81,809,694	81,809,694	81,809,694
Balance as at 30 September 2024 - Un-Audited	**1,392,048,000**	**1,441,697,946**	**760,858,456**	**2,202,556,402**	**425,565,973**	**2,628,122,375**	**4,020,170,375**

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

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

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-audited)

For The Quarter Ended 30 September 2024

1. THE COMPANY AND ITS OPERATIONS

Hi-Tech Lubricants Limited ("the Company") was incorporated under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. The registered office of the Company is situated at 1-A, Danepur Road, GOR-1, Lahore. The principal activity of the Company is to procure and distribute lubricants and petroleum products. During the year ended 30 June 2017, Oil and Gas Regulatory Authority (OGRA) granted license to the Company to establish an Oil Marketing Company (OMC), subject to some conditions. On 31 May 2019, Oil and Gas Regulatory Authority (OGRA) has granted permission to the Company to operate new storage facility at Sahiwal and marketing of petroleum products in province of Punjab. On 20 January 2020, the Company has started marketing and sale of petroleum products. On 21 February 2020, OGRA has granted permission to the Company to apply for No Objection Certificates (NOCs) from concerned departments to setup petrol pumps in Khyber Pakhtunkhwa. On 09 August 2021, OGRA has acknowledged the satisfactory completion of oil storage facility at Nowshera, Khyber Pakhtunkhwa. On 13 January 2022, OGRA has further extended / renewed the provisional license for setting up of an OMC upto 31 December 2023. On 16 March 2023, OGRA has granted permission to the Company to operate new storage facility at Nowshehra and marketing of petroleum products in the province of Khyber Pakhtunkhwa. On 21 December 2023, OGRA has further extended / renewed the provisional license for setting up of an OMC upto 31 December 2025

2. BASIS OF PREPARATION

2.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2024. These unconsolidated condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these unconsolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2022.

3.1 Critical accounting estimates and judgments

The preparation of these unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual financial statements of the Company for the year ended 30 June 2024.

		Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
4.	**LEASE LIABILITIES**		
	Total lease liabilities	625,492,771	647,317,717
	Less: Current portion shown under current liabilities	(145,289,685)	(149,684,305)
		480,203,086	497,633,412

4.1 Implicit rates against lease liabilities range from 7.40% to 25.93% (2024: 7.40% to 25.93%) per annum.

4.2 Leases from banking companies are secured against the leased assets, personal guarantees of directors and security deposits of Rupees 37.253 million (2024: Rupees 37.253 million).

		Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
5.	**SHORT TERM BORROWINGS**		
	From banking companies - secured		
	Short term finances (Note 5.1 and Note 5.2)	2,100,310,202	1,777,187,767

5.1 These finances are obtained from banking companies under mark-up arrangements and are secured against trust receipts, first joint pari passu hypothecation charge over present and future current assets of the Company, personal guarantees of sponsor directors of the Company and hypothecation charge over land, building and plant and machinery of Hi-Tech Blending (Private) Limited - subsidiary company.

5.2 The effective rates of mark-up ranged from 17.81% to 22.80% (2024: 21.19% to 28%) per annum.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

6.1.1 Deputy Commissioner Inland Revenue (DCIR) passed an order under section 122(1) and 122(5A) of the Income Tax Ordinance, 2001 for tax year 2013 whereby a demand of Rupees 83.595 million has been raised. On 26 October 2018, the Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] against the order of DCIR. CIR(A) vide order dated 18 December 2018 upheld some of the additions made by DCIR and also directed the DCIR to give opportunity of hearing to the Company in one of the said matters. Being aggrieved by the order of CIR(A), the Company filed appeal before the Appellate Tribunal Inland Revenue (ATIR) on 19 May 2021. ATIR decided the case in favour of the Company. The tax authorities have filed an income tax reference before Honourable Lahore High Court, Lahore against the order of the ATIR which is pending for adjudication. No provision against the case has been made in these financial statements, as the management, based on the advice of the legal counsel, is confident of favorable outcome of litigation.

6.1.2 During the year ended 30 June 2018, assessment under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2014 was finalized by the Deputy Commissioner Inland Revenue (DCIR) creating a demand of Rupees 18.207 million against the Company. Being aggrieved, the Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] on 14 November 2017 who decided the case in favor of the Company and reduced the total demand to Rupees 0.191 million. However, the department filed an appeal against the order of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR) on 31 March 2018. On 09 April 2024, ATIR granted partial relief to the Company and confirmed demand of Rupees 0.563 million. Further, ATIR remanded back the issue relating to default surcharge to assessing officer for fresh calculation. No remand back proceedings have been initiated by the department yet. No provision has been recognized in these financial statements, as the management, based on advice of the tax advisor, is confident of favorable outcome of the matter.

6.1.3 Deputy Commissioner Inland Revenue (DCIR) passed an assessment order on 28 November 2018 under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2015 whereby a demand of Rupees 22.358 million has been raised. On 21 December 2018, the Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] against the order of DCIR. CIR(A) accepted the Company's stance on certain issues assailed in appeal and reduced the aggregate demand to Rupees 10.735 million. Being aggrieved by the order of CIR(A), the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. No provision against this demand has been recognized in these financial statements, as the management, based on advice of the tax advisor, is confident of favorable outcome of the matter.

6.1.4 On 27 June 2022, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2016 whereby a demand of Rupees 5.467 million including default surcharge has been raised against the Company on account of non / short deduction of withholding tax in respect of certain payments. The Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] against the order of DCIR. On 17 November 2022, CIR(A) decided the appeal in favor of the Company. On 12 January 2023, the tax department has filed appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order passed by CIR(A) which is pending adjudication. No provision against this demand has been recognized in these financial statements, as the management, based on advice of the tax advisor, is confident of favorable outcome of the matter.

6.1.5 On 24 March 2022, the Deputy Commissioner Inland Revenue (DCIR) has issued an amended assessment order under section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2018 creating a demand of Rupees 1,115.673 million on account of various issues. Against the aforesaid order, the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 19 April 2022. On 29 August 2022, CIR(A) vacated the entire tax demand. However, in respect of various issues, the matter has been remanded back to the department for fresh consideration. Against the order of CIR(A), the Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which is pending for hearing. The management, based on the advice of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

6.1.6 On 26 February 2022, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 177 and section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2019 whereby a demand of Rupees 843.451 million has been raised against the Company on various issues. Against the order of DCIR, the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 22 March 2022. On 16 May 2022, CIR(A) vacated the tax demand. However, in respect of certain issues, the case has been remanded back to assessing officer for fresh consideration. On 13 July 2022, the tax authorities have filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A) which is pending adjudication. The management, based on the advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

6.1.7 During the year ended 30 June 2020, Deputy Commissioner Inland Revenue (DCIR) issued a notice to recover an amount of Rupees 21.124 million against super tax for the tax year 2019 under section 4B of the Income Tax Ordinance, 2001. The Company through its tax advisor submitted its reply that liability on account of super tax did not arise for subject year. However, on 29 September 2021, DCIR confirmed the matter and re-issued an order to recover Rupees 21.124 million against super tax for the tax year 2019 under section 4B of the Income Tax Ordinance, 2001. Against the aforesaid order, the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)]. On 25 February 2022, CIR(A) remanded back the case to department for fresh consideration. However, these remand back proceedings have not been initiated yet. The management, based on advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

6.1.8 On 28 February 2022, Deputy Commissioner Inland Revenue (DCIR) issued an order for tax periods from July 2016 to June 2017 creating a demand of Rupees 1,353.135 million alongwith penalty and default surcharge on various issues under relevant provisions of the Sales Tax Act, 1990. Against the aforesaid order, the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 22 March 2022. On 27 May 2022, CIR(A) provided partial relief to the Company. However, sales tax default in respect of certain issues was upheld by CIR(A). Being aggrieved with the order of CIR(A), the Company and tax department filed appeals before Appellate Tribunal Inland Revenue (ATIR). On 07 December 2022, ATIR accepted the Company's stance in respect of all matters except for imposition of penalty and default surcharge relating to late filing of sales tax returns and late payment of due sales tax liability. However, appeal filed by the tax department is yet to be heard. The management, based on advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

6.1.9 On 15 March 2022, Deputy Commissioner Inland Revenue (DCIR) issued an order for tax periods from July 2018 to June 2019 creating a demand of Rupees 901.257 million alongwith penalty and default surcharge on various issues under relevant provisions of the Sales Tax Act, 1990. Against the aforesaid order, the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 11 April 2022. On 31 May 2022, CIR(A) provided partial relief to the Company. However, sales tax default in respect of certain issues was upheld by CIR(A). Being aggrieved with the order of CIR(A), the Company and tax deparment filed appeals before Appellate Tribunal Inland Revenue (ATIR). On 07 December 2022, ATIR accepted the Company's stance in respect of all matters except for imposition of penalty and default surcharge relating to late filing of sales tax returns and late payment of due sales tax liability. However, appeal filed by the tax department is yet to be heard. The management, based on advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

6.1.10 On 30 May 2023, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2017 whereby a demand of Rupees 22.545 million including default surcharge has been raised against the Company on account of non / short deduction of withholding tax in respect of certain payments. On 25 June 2023, the Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)]. On 01 January 2024, CIR(A) granted partial relief to the Company and accepted the Company's stance in respect of certain matters. Further, CIR(A) remanded back certain matters to assessing officer for verification of Company's position. However, the department has not yet initiated the remand back proceedings. The management, based on advise of tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

6.1.11 On 06 February 2019, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 4B of the Income Tax Ordinance, 2001 for the tax year 2018 whereby a demand of Rupees 29.323 million was raised. Being aggrieved with the order, the Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 04 March 2019. On 16 May 2019, CIR(A) upheld the order of DCIR. Being aggrieved with the order of CIR(A), the Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on 29 May 2019. On 17 April 2024, ATIR passed an order and upheld the decision of CIR(A). Being aggrieved with the order, the Company is in the process of filing Income Tax Reference before Lahore High Court, Lahore. The management, based on advise of legal advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

6.1.12 On 01 March 2024, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2020 to recover an amount of Rupees 43.575 million in respect of withholding tax default along with default surcharge of Rupees 19.168 million. The Company filed an application before Commissioner Inland Revenue (CIR) on the grounds that the order was passed without considering the documents / records submitted by the Company. On 07 March 2024, CIR set aside the order of DCIR and remanded back the case to assessing officer. The remand back proceedings hasve not been initiated yet. The management, based on advise of tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

6.1.13 On 18 March 2024, Deputy Commissioner Inland Revenue (DCIR) passes an order under section 11 of the Sales Tax Act, 1990 for tax periods from July 2018 to June 2019 creating a demand of Rupees 405.983 million along with default surcharge and penalty on the issue of difference between value of closing stocks as per Company's financial statements and the amount adopted in sales tax declaration. Against the aforesaid order, the Company preferred an appeal before Commissioner Inland Revenue (Appeal) [CIR(A)] which is pending for hearing. The management, based on advice of the tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these financial statements.

6.1.14 Corporate guarantees of Rupees 2,967.5 million (2024: Rupees 2,967.5 million) have been given by the Company to the banks in respect of financing to Hi-Tech Blending (Private) Limited subsidiary company.

6.1.15 Guarantee of Rupees 58 million (2024: Rupees 58 million) is given by the bank of the Company to Director Excise and Taxation, Karachi against disputed amount of infrastructure cess.

6.1.16 Guarantees of Rupees 22.314 million (2024: Rupees 22.314 million) are given by the bank of the Company to Chairman, Punjab Revenue Authority, Lahore against disputed amount of infrastructure cess.

6.1.17 Guarantee of Rupees 15 million (2024: Rupees 15 million) and Rupees 2.25 million (2024: Rupees 2.25 million) are given by the banks of the Company to Total Parco Pakistan Limited and Pakistan State Oil Company Limited respectively against fuel cards obtained by the Company for its employees.

		Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
6.2	**Commitments**		
6.2.1	For capital expenditures	210,591,354	30,816,991
6.2.2	Letters of credit other than for capital expenditures	19,059,830	39,705,429
7.	**FIXED ASSETS**		
	Operating fixed assets(Note 7.1)	2,597,762,017	2,608,162,726
	Capital work-in-progress(Note 7.2)	215,290,922	163,649,545
		2,813,052,939	2,771,812,271
7.1	**Operating fixed assets – owned**		
	Opening book value	2,608,162,726	2,458,955,725
	Add: Cost of additions during the period / year (Note 7.1.1)	26,663,696	259,662,348
	Add: Revaluation Surplus	-	4,011,500
	Add: Book value of assets transferred from right-of-use of assets	-	47,330,348
		2,634,826,422	2,769,959,921
	Less: Book value of deletions during the period / year (Note 7.1.2)	613,319	16,531,820
		2,634,213,103	2,753,428,101
	Less: Book value of written off during the period / year	-	6,075,596
		2,634,213,103	2,747,352,505
	Less: Depreciation charged during the period / year	36,451,086	139,189,779
	Closing book value	2,597,762,017	2,608,162,726

	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
7.1.1 Cost of additions during the period / year		
Buildings on leasehold land	5,007,076	143,874,264
Machinery	12,744,000	1,605,460
Tanks and Pipeline and Tanks	-	47,146,502
Dispensing Pumps	3,546,765	39,978,545
Furniture and fittings	-	1,960,722
Vehicles	-	8,000,973
Office equipment	225,465	1,057,737
Computers	5,140,390	16,038,145
	26,663,696	259,662,348
7.1.2 Book value of deletions during the period / year		
Cost:		
Tanks & Pipelines	-	1,926,050
Building on Leasehold Land	-	3,834,385
Vehicles	-	17,650,654
Computers	1,494,871	7,109,194
Less: Accumulated depreciation	881,552	13,988,463
	613,319	16,531,820
7.2 Capital work-in-progress		
Civil works	143,568,065	116,438,207
Dispensing pumps	12,818,393	15,986,659
Tanks and Pipelines	-	31,224,679
Unallocated expenditures	58,904,464	-
	215,290,922	163,649,545

8. RIGHT-OF-USE ASSETS

	Land	Buildings	Vehicles	Total
	---------- Rupees ----------			
At 30 June 2023	303,295,180	126,308,099	175,517,873	605,121,152
Add: Additions during the year	146,309,901	16,648,969	-	162,958,870
Add: Impact of lease modifications	2,486,841	7,880,302	-	10,367,143
Add: Impact of lease termination	10,991,411	(11,036,521)	-	(45,110)
Less: Book value of assets transferred to operating fixed assets during the year	-	-	47,330,348	47,330,348
Less: Depreciation expense for the year	58,473,352	49,091,992	32,019,445	139,584,789
At 30 June 2024	404,609,981	90,708,857	96,168,080	591,486,919
Add: Additions during the year	5,474,371	-	1,883,875	7,358,246
Add: Impact of lease modifications	-	-	-	-
Less: Impact of lease termination	-	-	-	-
Less: Book value of assets transferred to operating fixed assets	-	-	-	-
Less: Depreciation expense for the period	15,432,848	12,854,112	8,838,690	37,125,650
At 30 September 2024	394,651,504	77,854,745	89,213,265	561,719,515

Lease of land

The Company obtained land on lease for its service centers, filling stations and storage warehouses. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from two to twenty years.

Lease of buildings

The Company obtained buildings on lease for its offices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from two to

Lease of vehicles

The Company obtained vehicles on lease for employees and director of the Company. The average contract duration is three years.

8.1. There is no impairment against right-of-use assets.

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-audited)

For The Quarter Ended 30 September 2024

	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
9. INTANGIBLE ASSETS		
Computer softwares (Note 9.1)	909,656	1,197,692
9.1 Computer softwares		
Opening book value	1,197,692	3,981,524
Add: Cost of additions during the period / year	-	-
Less: Written off during the the period / year		
Cost	-	(262,830)
Accumulated amortization	-	236,547
	-	(26,283)
Less: Amortization charged during the period / year	288,036	2,757,549
Closing book value	909,656	1,197,692
9.2 Cost as at 30 September	47,211,118	47,211,120
Accumulated amortization	(46,301,462)	(46,013,428)
Net book value as at 30 September	909,656	1,197,692

9.3 Intangible assets - computer softwares have been amortized at the rate of 30% (2024: 30%) per annum.

9.4 Intangible assets costing Rupees 39.827 million (2024: Rupees 39.827 million) are fully amortized and are still in use of the Company.

	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
10. STOCK-IN-TRADE		
Lubricants and parts (Note 10.1)	411,859,569	428,492,803
Less: Provision for slow moving and damaged inventory items	30,309,512	35,329,612
	381,550,057	393,163,191
Petroleum products		
- Stock in hand	627,907,507	316,614,901
- Stock in pipeline system (Note 10.2)	385,768,382	1,045,532,295
	1,013,675,889	1,362,147,196
Dispensing pumps and other installations (Note 10.3)	33,925,444	33,925,444
	1,429,151,390	1,789,235,831

10.1 This includes stock amounting to Rupees 78.382 million (2024: Rupees 118.898 million) lying at customs bonded warehouse.

10.2 This represents the Company's share of pipeline stock of High Speed Diesel and Petroleum Motor Gasoline amounting to Rupees 243.174 million (2024: Rupees 355.458 million) and Rupees 142.593 million (2024: Rupees 687.248 million) respectively held by Pak-Arab Pipeline Company Limited.

10.3 These dispensing pumps and other installations have been purchased by the Company for resale to service and filling station dealers as part of OMC operations.

	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees
11. CASH (USED IN) / GENERATED FROM OPERATIONS		
Profit before taxation	94,557,955	(84,422,728)
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	36,451,086	31,921,022
Depreciation on right-of-use assets	37,125,650	35,253,225
Amortization on intangible assets	287,984	928,068
Provision for doubtful advances to suppliers	(289,393)	-
Gain/(Loss) on disposal of operating fixed assets	(613,320)	(6,248,008)
Dividend income	(198,713)	(8,406,591)
Profit on bank deposits and term deposit receipt	(273,481)	(15,964,918)
Interest income on short term loan to subsidiary company	(16,578,072)	(29,623,334)
Gain on disposal of short term investments	-	94,545
Unrealized gain on remeasurement of investments carried at fair value through profit or loss - net	(1,189,980)	(2,850,466)
Exchange loss - net	(11,897)	3,671,594
Finance cost	136,526,191	138,444,731
Working capital changes (Note 11.1)	(276,431,475)	158,016,241
	9,362,535	220,813,381
11.1 Working capital changes		
(Increase) / decrease in current assets:		
Stock-in-trade	360,084,441	(179,764,657)
Trade debts	437,709,142	(80,830,096)
Loans and advances	33,999,800	24,021,782
Short term deposits and prepayments	(24,642,142)	(15,498,915)
Other receivables	(104,578,675)	(136,631,631)
	702,572,566	(388,703,517)
Increase in trade and other payables	(979,004,041)	546,719,758
	(276,431,475)	158,016,241

12. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of subsidiary company, associated undertakings, other related parties, key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been disclosed else where in these unconsolidated condensed interim financial statements, are as follows:

			Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees
i	**Transactions**			
	Relationship	**Nature of transaction**		
	Subsidiary company			
	Hi-Tech Blending (Private) Limited	Purchase of lubricants	1,187,870,828	1,368,696,500
		Sale of lubricants	180,141	481,188
		Lease rentals paid	750,000	750,000
		Short term loan given	352,000,000	17,000,000
		Short term loan repaid	-	55,000,000
		Interest on loan	19,878,107	45,954,988
	Associated companies			
	MAS Associates (Pvt) Limited	Share of common expenses	413,600	542,004
	Other related parties			
	SK Enmove Co., Ltd.	Purchase of lubricants	-	153,353,637
		Incentive	62,448,750	90,909,001
	Provident fund trust	Contribution	8,206,582	6,219,739
	Sabra Hamida Trust	Donations	4,500,000	4,500,000
	Key management personnel	Remuneration	107,175,161	120,813,735

		September 30 2024 Rupees Un-Audited	June 30 2024 Rupees Audited
ii	**Period end balances**		
	Subsidiary company		
	Investment in Hi-Tech Blending (Private) Limited	1,300,000,600	1,300,000,600
	Receivable from Hi-Tech Blending (Private) Limited	214,129	-
	Payable to Hi-Tech Blending (Private) Limited	78,655,338	244,022,631
	Associated companies		
	Receivable from MAS Associates (Private) Limited	413,601	347,497
	Other related parties		
	Receivable from SK Enmove Co., Ltd. (Formerly SK Lubricants Co., Ltd.)	132,034,051	69,585,301
	Payable to SK Enmove Co., Ltd. (Formerly SK Lubricants Co., Ltd.)	96,514	122,870,100
	Payable to employees' provident fund trust	5,575,882	107,143

13. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 30 September 2024	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------			
Financial assets				
Financial assets at fair value through profit or loss	217,927,808	-	-	217,927,808

Recurring fair value measurements at 30 June 2024	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------			
Financial assets				
Financial assets at fair value through profit or loss	222,717,061	-	-	222,717,061

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation technique used to value financial instruments is the use of quoted market prices on Pakistan Stock Exchange and for funds, Net Asset Value (NAV) of respective Asset Management Company.

Notes To The Unconsolidated Condensed Interim Financial Statements (Un-audited)

For The Quarter Ended 30 September 2024

14. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

	Description	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
i)	**Loans / advances obtained as per Islamic mode:**		
	Advances	68,475,418	56,960,090
ii)	**Shariah complaint bank deposits / bank balances:**		
	Bank balances	13,316,441	56,345,314

		Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees
iii)	**Profit earned from shariah complaint bank deposits / bank balances**	-	-
iv)	**Revenue earned from a shariah complaint business segment**	6,988,836,077	3,999,510,408
v)	**Gain / (loss) or dividend earned from shariah complaint investments:**		
	Dividend income	198,713	8,406,591
	Gain on sale of investments	-	-
vi)	**Exchange Gain / (loss)**	11,897	(3,671,594)
vii)	**Mark up paid on Islamic mode of financing**	-	-
vii)	**Profits earned or interest paid on any conventional loan or advance:**		
	Profit earned	16,578,072	29,623,334
	Interest paid on loans	108,201,631	112,787,822

viii) Relationship with shariah compliant banks:

Name	Relationship as at reporting date
Al-Baraka Bank (Pakistan) Limited	Bank balance
Meezan Bank Limited	Bank balance
Dubai Islamic Bank Pakistan Limited	Bank balance
Faysal Bank Limited	Bank balance

15. SEGMENT INFORMATION

The Company has two reportable segments. The following summary describes the operation in each of the Company's reportable segments:

Lubricants	Purchase and sale of lubricants, parts and rendering of services.
Petroleum products	Marketing and sale of petroleum products.

	LUBRICANTS		PETROLEUM PRODUCTS		UNALLOCATED		TOTAL - COMPANY	
	September 30 2024 Rupees	30 September 2023 Rupees Restated	September 30 2024 Rupees	30 September 2023 Rupees Restated	September 30 2024 Rupees	30 September 2023 Rupees Restated	September 30 2024 Rupees	30 September 2023 Rupees Restated
Revenue from contracts with customers - net	1,760,002,303	1,620,851,150	5,228,833,774	2,378,659,258	-	-	6,988,836,077	3,999,510,408
Cost of sales	(1,265,200,589)	(1,425,536,794)	(5,125,288,671)	(2,268,510,786)	-	-	(6,390,489,260)	(3,694,047,580)
Gross profit	494,801,714	195,314,356	103,545,103	110,148,472	-	-	598,346,817	305,462,828
Distribution cost	(160,391,626)	(119,270,143)	(101,083,684)	(89,216,203)	-	-	(261,475,310)	(208,486,346)
Administrative expenses	(189,998,078)	(160,166,588)	(7,120,992)	(8,880,300)	-	-	(197,119,070)	(169,046,888)
Other expenses	2,482,963	(7,158,037)	(7,306,890)	(7,263,565)	-	-	(4,823,927)	(14,421,602)
	(347,906,741)	(286,594,768)	(115,511,566)	(105,360,068)	-	-	(463,418,307)	(391,954,836)
Other income	75,139,545	121,485,718	21,016,091	19,028,293	-	-	96,155,636	140,514,011
Profit / (loss) from operations	222,034,518	30,205,306	9,049,628	23,816,697	-	-	231,084,146	54,022,003
Finance cost	(112,785,911)	(105,162,697)	(23,740,280)	(33,282,034)	-	-	(136,526,191)	(138,444,731)
Profit / (loss) before taxation and levy	109,248,607	(74,957,391)	(14,690,652)	(9,465,337)	-	-	94,557,955	(84,422,728)
Levy	(5,195,833)	(5,943,504)	(26,144,169)	(11,893,296)	-	-	(31,340,002)	(17,836,800)
Profit / (loss) before taxation	104,052,774	(80,900,895)	(40,834,821)	(21,358,633)	-	-	63,217,953	(102,259,528)
Taxation	-	-	-	-	18,591,741	(14,695,306)	18,591,741	(14,695,306)
Profit / (loss) after taxation	104,052,774	(80,900,895)	(40,834,821)	(21,358,633)	18,591,741	(14,695,306)	81,809,694	(116,954,834)

15.1 Reconciliation of reportable segment assets and liabilities:

	LUBRICANTS		PETROLEUM PRODUCTS		TOTAL - COMPANY	
	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
Total assets for reportable segments	3,516,559,635	3,762,378,934	4,574,399,321	4,925,271,282	8,090,958,956	8,687,650,216
Unallocated assets					322,769,341	322,769,341
Total assets as per statement of financial position					8,413,728,297	9,010,419,557
Total liabilities for reportable segments	1,482,275,054	1,622,410,722	1,367,286,341	1,905,651,627	2,849,561,395	3,528,062,349
Unallocated liabilities					1,543,996,527	1,543,996,527
Total liabilities as per statement of financial position					4,393,557,922	5,072,058,876

15.2 All of the sales of the Company relates to customers in Pakistan.

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

16. UTILIZATION OF THE PROCEEDS OF THE INITIAL PUBLIC OFFER (IPO)

During the year ended 30 June 2016, the Company made an Initial Public Offer (IPO) through issue of 29,001,000ordinary shares of Rupees 10 each at a price of Rupees 62.50 per share determined through book building process. Out of the total issue of 29,001,000ordinary shares, 21,750,500shares were subscribed through book building by High Net Worth Individuals and Institutional Investors, while the remaining 7,250,500 ordinary shares were subscribed by the General Public and the shares were duly allotted on 18 February 2016. On 01 March 2016, Pakistan Stock Exchange Limited approved the Company's application for formal listing of ordinary shares and trading of shares started on 03 March 2016.

Till 30 June 2017, the Company utilized the proceeds of the initial public offer of 29,001,000 ordinary shares for the purposes mentioned under heading 5.5 'Expansion Plan' in prospectus dated 28 December 2015, as per the following detail:

Purposes Mentioned Under Heading 5.5 'Expansion Plan' In Prospectus Dated 28 December 2015	Total amount (Rupees)	Total amount utilized till 30 June 2017 (Rupees)
Investment in HTLL		
Land	470,000,000	60,618,100
Building	128,000,000	12,486,445
Plant, machinery and equipment	139,000,000	2,719,201
Pre-operating costs	33,000,000	249,630
Working capital	842,562,500	739,126,208
	1,612,562,500	815,199,584
Investment in 100% owned subsidiary		
Additional filling lines for blending plant, Hi-Tech Blending (Private) Limited	200,000,000	-
Total	1,812,562,500	815,199,584
IPO proceeds (A)	1,812,562,500	
Amount un-utilized (A – B)	997,362,916	

As stated in the prospectus dated 28 December 2015, the Company planned to offer state of the art retail outlets across Pakistan with multitude of unique services and also planned to install additional filling lines at the blending plant of its subsidiary. The plan of the year 2015-16 covered 37 grand outlets openings in 11 major cities of Pakistan including Lahore, Gujranwala, Sialkot, Faisalabad, Multan, Islamabad, Rawalpindi, Karachi and Hyderabad. Over a period of 5 years, the Company planned to open 75 retail outlets (including 67 rented) across 16 major cities of Pakistan. As per quarterly progress report number 06 dated 14 July 2017, the Company informed all stakeholders the progress on implementation of project: Expansion through retail outlet: 1 owned service center under regulatory approval and out of the 10 rented service centers, 1 is operational, 3 are approved and under construction, 3 are under regulatory approvals and 3 are under negotiations. Accurate, effective and timely implementation of the above plans of the Company became a big challenge for the Company due to expensive lands and properties at key locations in almost all the cities for express service centers. Hence, the Company planned for incorporation of express centers into its fuel stations to be established under the umbrella of Oil Marketing Company (OMC) Project of the Company. In this regard, the Company obtained a financial feasibility report from KPMG Taseer Hadi & Co., Chartered Accountants regarding investment in OMC Project. In view of successful fulfilment of initial mandatory requirements of Oil and Gas Regulatory Authority (OGRA) for setting up of an OMC and future prospects of OMC in current international scenario as prospected under financial feasibility report, the shareholders of the Company in their 9th Annual General Meeting held on 29 September 2017 approved diversion and utilization of un-utilized IPO funds from HTL Express Centers and wholly owned subsidiary company to OMC Project of the Company keeping in view overall growth of the Company and ultimate benefit to all shareholders and stakeholders of the Company.

The Project envisages setting up 360 retail outlets across Punjab, Sindh and Khyber Pakhtunkhwa Provinces of Pakistan. The fuel stations will offer full range of services such as general store, tyre shop and a car shop amongst others. To support sales, the Company plans to invest in building storage capacities of 25,735 metric tons (Mogas and HSD) across the country over a period of 7 years.

During the year ended 30 June 2017, OGRA granted license to the Company to establish an Oil Marketing Company (OMC), subject to some conditions. During the year ended 30 June 2018, with reference to OMC Project of the Company, Oil and Gas Regulatory Authority (OGRA) has granted permission to proceed to apply/acquire No Objection Certificates (NOCs) from concerned departments including District Coordination Officer (DCO) for setting up of upto 26 retail outlets in Punjab Province with instructions that retail sales through petrol pumps can only be started after completion of necessary Storage Infrastructure, 3rd Party Inspector Report confirming that storage/depot meets OGRA's notified Technical Standards and OGRA's approval.

During the year ended 30 June 2018, the Company completed its oil storage site at Sahiwal. The Company also purchased land in Nowshera for oil storage site under OMC Project.

On 31 May 2019, Oil and Gas Regulatory Authority (OGRA) granted permission to the Company to operate new oil storage facility at Sahiwal and marketing of petroleum products in the Province of Punjab. The Company signed agreements with various dealers for setting up petrol pumps under the OMC Project and also started construction of another storage site at Nowshera, Khyber Pakhtunkhwa.

During the year ended on 30 June 2020, the Company started its OMC operations and expediently worked on completion of its Nowshera oil storage. During the year ended 30 June 2021, Company has completed its oil storage at Nowshera. On 09 August 2021, OGRA acknowledged the satisfactory completion of Nowshera oil storage based on third party inspection report. During the year ended 30 June 2022, the Company has started work on new oil storage facility at Shikarpur. On 16 March 2023, OGRA has granted permission to the Company to operate new storage facility at Nowshehra and marketing of petroleum products in the province of Khyber Pakhtunkhwa. Currently, the Company has seven operational HTL Express Centers, four in Lahore, two in Karachi and one in Rawalpindi. Further, the Company has fifty five retail outlets operational for sale of petroleum products as on 30 June 2024. Detail of payments out of IPO proceeds during the year ended 30 September 2024 is as follows:

	Rupees
Un-utilized IPO proceeds as at 01 July 2024	218,115,906
Add: Profit on bank deposits	244,492
Add: Dividend on investment in mutual funds	45,514
Less: Payments made relating to OMC Project	(8,535,973)
Less: Bank charges	(6,827)
Un-utilized IPO proceeds as at 30 September 2024	209,863,112

The un-utilized proceeds of the public offer have been kept by the Company in the shape of bank balances and mutual funds.

17. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in preceding audited annual financial statements of the Company's for the year ended 30 June 2024.

18. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 26 October 2024 by the Board of Directors of the Company.

19. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant rearrangements have been made in these financial statements.

20. GENERAL

Figures have been rounded off to nearest of Rupee, unless otherwise stated.

Chief Executive	Director	Chief Financial Officer

HI-TECH LUBRICANTS LIMITED

Consolidated Condensed Interim Financial Information (Un-audited)

Consolidated Condensed Interim Statement Of Financial Position (Un-audited)

As At 30 September 2024

	Note	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
150,000,000 (2024: 150,000,000) ordinary shares of Rupees 10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital		1,392,048,000	1,392,048,000
Reserves		4,549,621,916	4,529,463,929
Total equity		5,941,669,916	5,921,511,929
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	4	481,650,088	506,839,256
Lease liabilities	5	467,735,527	479,848,129
Long term deposits		14,871,920	15,000,000
Deferred liabilities		76,969,296	130,031,085
		1,041,226,831	1,131,718,470
CURRENT LIABILITIES			
Trade and other payables		2,330,738,326	3,922,081,945
Accrued mark-up		94,047,358	98,461,634
Short term borrowings		2,670,564,887	2,064,242,674
Current portion of non-current liabilities		257,899,034	263,618,482
Unclaimed dividend		5,689,417	5,689,417
		5,358,939,022	6,354,094,152
Total liabilities		6,400,165,853	7,485,812,622
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		12,341,835,769	13,407,324,551

The annexed notes form an integral part of these consolidated condensed interim financial statements.

Chief Executive   Director   Chief Financial Officer

	Note	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	7	6,589,292,648	6,572,529,763
Right-of-use assets	8	566,066,077	596,393,130
Intangible assets	9	7,409,520	9,653,391
Investment property		-	-
Long term security deposits		35,313,369	43,313,369
Long term loans to employees		1,817,395	2,050,936
		7,199,899,009	7,223,940,589
CURRENT ASSETS			
Stores		74,834,391	71,548,897
Stock-in-trade	10	2,734,781,843	3,239,996,513
Trade debts		581,364,096	1,101,435,544
Loans and advances		386,109,508	387,407,108
Short term deposits and prepayments		76,201,883	41,369,100
Other receivables		470,454,793	311,042,045
Advance income tax and prepaid levy - net		249,893,777	261,369,147
Accrued interest		21,792	186,102
Short term investments		217,927,808	222,717,061
Cash and bank balances		215,346,869	411,312,445
		5,006,936,760	6,048,383,962
Non-current asset classified as held for sale		135,000,000	135,000,000
		5,141,936,760	6,183,383,962
TOTAL ASSETS		12,341,835,769	13,407,324,551

The annexed notes form an integral part of these consolidated condensed interim financial statements.

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

Consolidated Condensed Interim Statement of Profit or Loss (Un-audited)

For The Quarter Ended 30 September 2024

	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees Restated
GROSS REVENUE FROM CONTRACTS WITH CUSTOMERS	7,535,127,563	4,629,821,292
Discounts	(14,310,820)	(127,123,642)
Sales tax	(417,890,224)	(421,782,844)
NET REVENUE FROM CONTRACTS WITH CUSTOMERS	7,102,926,519	4,080,914,806
COST OF SALES	(6,467,521,872)	(3,532,986,776)
GROSS PROFIT	635,404,647	547,928,030
DISTRIBUTION COST	(274,241,188)	(222,930,981)
ADMINISTRATIVE EXPENSES	(256,374,955)	(214,067,864)
OTHER EXPENSES	(7,102,929)	(40,514,616)
	(537,719,072)	(477,513,461)
OTHER INCOME	81,297,893	110,890,677
PROFIT FROM OPERATIONS	178,983,468	181,305,246
FINANCE COST	(177,007,837)	(200,999,126)
PROFIT/(LOSS) BEFORE TAXATION AND LEVY	1,975,631	(19,693,880)
LEVY	(34,879,434)	(21,665,523)
PROFIT/(LOSS) BEFORE TAXATION	(32,903,803)	(41,359,403)
TAXATION	53,061,790	(15,340,628)
PROFIT/(LOSS) AFTER TAXATION	20,157,987	(56,700,031)
PROFIT/(LOSS) PER SHARE - BASIC AND DILUTED	0.14	(0.41)

The annexed notes form an integral part of these consolidated condensed interim financial statements.

Chief Executive | Director | Chief Financial Officer

Consolidated Condensed Interim
Statement of Comprehensive Income (Un-audited)

For The Quarter Ended 30 September 2024

	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees
PROFIT/(LOSS) AFTER TAXATION	20,157,987	(56,700,031)
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified to profit or loss:		
Surplus on revaluation of freehold land	-	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the period	-	-
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD	20,157,987	(56,700,031)

The annexed notes form an integral part of these consolidated condensed interim financial statements.

Chief Executive

Director

Chief Financial Officer

Consolidated Condensed Interim Statement Of Cash Flows (Un-audited)

For The Quarter Ended 30 September 2024

	Note	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	11	(501,112,244)	158,878,753
Finance cost paid		(181,422,113)	(194,140,032)
Income tax paid		(23,404,064)	(34,931,151)
Net increase in long term loans to employees		233,541	-
Net decrease in long term security deposits		8,000,000	-
Decrease in long term deposits		(128,080)	(1,000,000)
Net cash generated used in operating activities		(697,832,960)	(71,192,430)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on operating fixed assets		(56,944,004)	(61,029,006)
Short term investments - net		3,599,273	9,141,173
Dividends received		198,713	8,406,591
Profit on bank deposits and term deposit receipts received		2,158,120	15,881,339
Net cash used in investing activities		(50,987,898)	(27,599,903)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		606,322,213	137,115,820
Dividend paid		-	(22,773)
Repayment of long term financing		(25,189,168)	(14,407,775)
Repayment of lease liabilities		(28,277,763)	(35,460,561)
Net cash from financing activities		552,855,282	87,224,711
Net decrease in cash and cash equivalents		(195,965,576)	(11,567,622)
Cash and cash equivalents at beginning of the period		411,312,445	255,077,564
Cash and cash equivalents at end of the period		215,346,869	243,509,942

The annexed notes form an integral part of these consolidated condensed interim financial statements.

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

Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For The Quarter Ended 30 September 2024

	SHARE CAPITAL	RESERVES					TOTAL EQUITY
		CAPITAL RESERVES			REVENUE RESERVE	TOTAL RESERVES	
		SHARE PREMIUM	SURPLUS ON REVALUATION OF FREEHOLD LAND	SUB TOTAL	UN-APPROPRIATED PROFIT		
	Rupees						
Balance as at 30 June 2023 - Audited	**1,392,048,000**	**1,441,697,946**	**2,097,794,248**	**3,539,492,194**	**1,112,167,830**	**4,651,660,024**	**6,043,708,024**
Loss for the period ended 30 September 2023	-	-	-	-	(56,700,031)	(56,700,031)	(56,700,031)
Other comprehensive income for the period ended 30 September 2023	-	-	-	-	-	-	-
Total comprehensive loss for the period ended 30 September 2023	-	-	-	-	(56,700,031)	(56,700,031)	(56,700,031)
Balance as at 30 September 2023 - Un-Audited	**1,392,048,000**	**1,441,697,946**	**2,097,794,248**	**3,539,492,194**	**1,055,467,799**	**4,594,959,993**	**5,987,007,993**
Balance as at 30 June 2024 - Audited	**1,392,048,000**	**1,441,697,946**	**2,112,974,748**	**3,554,672,694**	**974,791,235**	**4,529,463,929**	**5,921,511,929**
Profit for the period ended 30 September 2024	-	-	-	-	20,157,987	20,157,987	20,157,987
Other comprehensive income for the period ended 30 September 2024	-	-	-	-	-	-	-
Total comprehensive profit for the period ended 30 September 2024	-	-	-	-	20,157,987	20,157,987	20,157,987
Balance as at 30 September 2023 - Un-Audited	**1,392,048,000**	**1,441,697,946**	**2,112,974,748**	**3,554,672,694**	**994,949,222**	**4,549,621,916**	**5,941,669,916**

The annexed notes form an integral part of these consolidated condensed interim financial statements.

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

Notes To The Consolidated Condensed Interim Financial Statements (Un-audited)

For The Quarter Ended 30 September 2024

1. THE GROUP AND ITS OPERATIONS

The Group consists of:

Holding Company

- Hi-Tech Lubricants Limited

Subsidiary Company

- Hi-Tech Blending (Private) Limited

1.1 Hi-Tech Lubricants Limited

Hi-Tech Lubricants Limited ("the Holding Company") was incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. The registered office of the Holding Company is situated at 1-A, Danepur Road, GOR-1, Lahore. The principal activity of the Holding Company is to procure and distribute lubricants and petroleum products. During the year ended 30 June 2017, Oil and Gas Regulatory Authority (OGRA) granted license to the Holding Company to establish an Oil Marketing Company (OMC), subject to some conditions. On 31 May 2019, Oil and Gas Regulatory Authority (OGRA) has granted permission to the Holding Company to operate new storage facility at Sahiwal and marketing of petroleum products in the Province of Punjab. On 20 January 2020, the Holding Company has started marketing and sale of petroleum products. On 21 February 2020, OGRA has granted permission to the Holding Company to apply for No Objection Certificates (NOCs) from concerned departments to setup petrol pumps in Khyber Pakhtunkhwa Province. On 09 August 2021, OGRA has acknowledged the satisfactory completion of oil storage facility at Nowshera, Khyber Pakhtunkhwa . On 13 January 2022, OGRA has further extended / renewed the provisional license for setting up of an OMC upto 31 December 2023. On 16 March 2023, OGRA has granted permission to the Holding Company to operate new storage facility at Nowshehra and marketing of petroleum products in the province of Khyber Pakhtunkhwa. On 21 December 2023, OGRA has further extended / renewed the provisional license for setting up of an OMC upto 31 December 2025.

1.2 Hi-Tech Blending (Private) Limited

Hi-Tech Blending (Private) Limited ("the Subsidiary Company") was incorporated in Pakistan as a private company limited by shares on 13 March 2014 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the Subsidiary Company is to construct, own and operate lubricating oil blending plant and manufacturing and sale of plastic products. The registered office of the Subsidiary Company is situated at 1-A, Danepur Road, GOR-1, Lahore. The Subsidiary Company is a wholly owned subsidiary of Hi-Tech Lubricants Limited.

2. BASIS OF PREPARATION

2.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 34: 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

  Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 30 June 2024.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these consolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Group for the year ended 30 June 2024.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these consolidated condensed interim financial statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual financial statements of the Group for the year ended 30 June 2024.

	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
4. LONG TERM FINANCING		
From banking companies - secured		
Subsidiary Company		
Bank Al-Habib Limited	528,415,806	585,018,170
Less: Current portion shown under current liabilities	46,765,718	78,178,914
	481,650,088	506,839,256

4.1 This loan has been obtained by the Subsidiary Company under SBP Temporary Economic Refinance Facility (TERF). It is recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment is recognized at discount rates ranging from 8.85% to 13.39% per annum.

4.2 This loan has been obtained by the Subsidiary Company under SBP Renewable Energy Refinance Scheme. It is recognized and measured in accordance with IFRS 9 'Financial Instruments'. Fair value adjustment is recognized at discount rates ranging from 11.93% to 16.52% per annum.

4.3 Effective rate of mark-up charged during the year ranged from 22.71% to 24.15% (2024: 22.71 to 24.15%) per annum.

	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
5. LEASE LIABILITIES		
Total lease liabilities	625,560,464	643,392,513
Less: Current portion shown under current liabilities	157,824,937	163,544,384
	467,735,527	479,848,129

5.1 Implicit rates against lease liabilities range from 11.98% to 25.92% (2024: 7.40% to 25.93%) per annum.

5.2 Leases from banking companies are secured against the leased assets, personal guarantees of directors of the Holding Company and Subsidiary Company, corporate guarantee of the Holding Company and security deposits of Rupees 44.016 million (2024: Rupees 44.614 million).

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

6.1.1 Deputy Commissioner Inland Revenue (DCIR) passed an order under section 122(1) and 122(5A) of the Income Tax Ordinance, 2001 for tax year 2013 whereby a demand of Rupees 83.595 million has been raised against the Holding Company. On 26 October 2018, the Holding Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] against the order of DCIR. CIR(A) vide order dated 18 December 2018 upheld some of the additions made by DCIR and also directed the DCIR to give opportunity of hearing to the Holding Company in one of the said matters. Being aggrieved by the order of CIR(A), the Holding Company filed appeal before the Appellate Tribunal Inland Revenue (ATIR) on 19 May 2021. ATIR decided the case in favour of the Holding Company. The tax authorities have filed an income tax reference before Honourable Lahore High Court, Lahore against the order of the ATIR which is pending for adjudication. No provision against the case has been made in these consolidated financial statements, as the management, based on the advice of the legal counsel, is confident of favorable outcome of litigation.

6.1.2 During the year ended 30 June 2018, assessment under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2014 was finalized by the Deputy Commissioner Inland Revenue (DCIR) creating a demand of Rupees 18.207 million against the Holding Company. Being aggrieved, the Holding Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] on 14 November 2017 who decided the case in favor of the Holding Company and reduced the total demand to Rupees 0.191 million. However, the department filed an appeal against the order of CIR(A) before the Appellate Tribunal Inland Revenue (ATIR) on 31 March 2018. On 09 April 2024, ATIR granted partial relief to the Holding Company and confirmed demand of Rupees 0.563 million. Further, ATIR remanded back the issue relating to default surcharge to assessing officer for fresh calculation. No remand back proceedings have been initiated by the department yet. No provision has been recognized in these consolidated financial statements, as the management, based on advice of the tax advisor, is confident of favorable outcome of the matter.

6.1.3 Deputy Commissioner Inland Revenue (DCIR) passed an assessment order on 28 November 2018 under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2015 whereby a demand of Rupees 22.358 million has been raised against the Holding Company. On 21 December 2018, the Holding Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] against the order of DCIR. CIR(A) accepted the Holding Company's stance on certain issues assailed in appeal and reduced the aggregate demand to Rupees 10.735 million. Being aggrieved by the order of CIR(A), the Holding Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. No provision against this demand has been recognized in these consolidated financial statements, as the management, based on advice of the tax advisor, is confident of favorable outcome of the matter.

6.1.4 On 27 June 2022, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2016 whereby a demand of Rupees 5.467 million including default surcharge has been raised against the Holding Company on account of non / short deduction of withholding tax in respect of certain payments. The Holding Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] against the order of DCIR. On 17 November 2022, CIR(A) decided the appeal in favor of the Holding Company. On 12 January 2023, the tax department has filed appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order passed by CIR(A) which is pending adjudication. No provision against this demand has been recognized in these consolidated financial statements, as the management, based on advised of the tax advisor, is confident of favorable outcome of the matter.

6.1.5 On 24 March 2022, the Deputy Commissioner Inland Revenue (DCIR) has issued an amended assessment order under section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2018 creating a demand of Rupees 1,115.673 million on account of various issues against the Holding Company. Against the aforesaid order, the Holding Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 19 April 2022. On 29 August 2022, CIR(A) vacated the entire tax demand. However, in respect of various issues, the matter has been remanded back to the department for fresh consideration. Against the order of CIR(A), the Holding Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which is pending for hearing. The management, based on the advice of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

6.1.6 On 26 February 2022, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 177 and section 122(1) of the Income Tax Ordinance, 2001 for the tax year 2019 whereby a demand of Rupees 843.451 million has been raised against the Holding Company on various issues. Against the order of DCIR, the Holding Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 22 March 2022. On 16 May 2022, CIR(A) vacated the tax demand. However, in respect of certain issues, the case has been remanded back to assessing officer for fresh consideration. On 13 July 2022, the tax authorities have filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the order of CIR(A) which is pending adjudication. The management, based on the advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

6.1.7 During the year ended 30 June 2020, Deputy Commissioner Inland Revenue (DCIR) issued a notice to recover an amount of Rupees 21.124 million against super tax for the tax year 2019 under section 4B of the Income Tax Ordinance, 2001 against the Holding Company. The Holding Company through its tax advisor submitted its reply that liability on account of super tax did not arise for subject year. However, on 29 September 2021, DCIR confirmed the matter and re-issued an order to recover Rupees 21.124 million against super tax for the tax year 2019 under section 4B of the Income Tax Ordinance, 2001. Against the aforesaid order, the Holding Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)]. On 25 February 2022, CIR(A) remanded back the case to department for fresh consideration. However, these remand back proceedings have not been initiated yet. The management, based on advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

6.1.8 On 28 February 2022, Deputy Commissioner Inland Revenue (DCIR) issued an order for tax periods from July 2016 to June 2017 creating a demand of Rupees 1,353.135 million alongwith penalty and default surcharge on various issues under relevant provisions of the Sales Tax Act, 1990 against the Holding Company. Against the aforesaid order, the Holding Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 22 March 2022. On 27 May 2022, CIR(A) provided partial relief to the Holding Company. However, sales tax default in respect of certain issues was upheld by CIR(A). Being aggrieved with the order of CIR(A), the Holding Company and tax department filed appeals before Appellate Tribunal Inland Revenue (ATIR). On 07 December 2022, ATIR accepted the Holding Company's stance in respect of all matters except for imposition of penalty and default surcharge relating to late filing of sales tax returns and late payment of due sales tax liability. However, appeal filed by the tax department is yet to be heard. The management, based on advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

6.1.9 On 15 March 2022, Deputy Commissioner Inland Revenue (DCIR) issued an order for tax periods from July 2018 to June 2019 creating a demand of Rupees 901.257 million alongwith penalty and default surcharge on various issues under relevant provisions of the Sales Tax Act, 1990 against the Holding Company. Against the aforesaid order, the Holding Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 11 April 2022. On 31 May 2022, CIR(A) provided partial relief to the Holding Company. However, sales tax default in respect of certain issues was upheld by CIR(A). Being aggrieved with the order of CIR(A), the Holding Company and tax deparment filed appeals before Appellate Tribunal Inland Revenue (ATIR). On 07 December 2022, ATIR accepted the Holding Company's stance in respect of all matters except for imposition of penalty and default surcharge relating to late filing of sales tax returns and late payment of due sales tax liability. However, appeal filed by the tax department is yet to be heard. The management, based on advise of the tax advisor, is confident of favourable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

6.1.10 On 30 May 2023, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2017 whereby a demand of Rupees 22.545 million including default surcharge has been raised against the Holding Company on account of non / short deduction of withholding tax in respect of certain payments. On 25 June 2023, the Holding Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)]. On 01 January 2024, CIR(A) granted partial relief to the Holding Company and accepted the Holding Company's stance in respect of certain matters. Further, CIR(A) remanded back certain matters to assessing officer for verification of Holding Company's position. However, the department has not yet initiated the remand back proceedings. The management, based on advise of tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

6.1.11 On 06 February 2019, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 4B of the Income Tax Ordinance, 2001 for the tax year 2018 whereby a demand of Rupees 29.323 million was raised against the Holding Company. Being aggrieved with the order, the Holding Company preferred an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 04 March 2019. On 16 May 2019, CIR(A) upheld the order of DCIR. Being aggrieved with the order of CIR(A), the Holding Company filed an appeal before Appellate Tribunal Inland Revenue (ATIR) on 29 May 2019. On 17 April 2024, ATIR passed an order and upheld the decision of CIR(A). Being aggrieved with the order, the Holding Company is in the process of filing Income Tax Reference before Lahore High Court, Lahore. The management, based on advise of legal advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

6.1.12 On 01 March 2024, Deputy Commissioner Inland Revenue (DCIR) passed an assessment order under section 161 and section 205 of the Income Tax Ordinance, 2001 for the tax year 2020 to recover an amount of Rupees 43.575 million in respect of withholding tax default along with default surcharge of Rupees 19.168 million against the Holding Company. The Holding Company filed an application before Commissioner Inland Revenue (CIR) on the grounds that the order was passed without considering the documents / records submitted by the Holding Company. On 07 March 2024, CIR set aside the order of DCIR and remanded back the case to assessing officer. The remand back proceedings hasve not been initiated yet. The management, based on advise of tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these Consolidated financial statements.

6.1.13 On 18 March 2024, Deputy Commissioner Inland Revenue (DCIR) passes an order under section 11 of the Sales Tax Act, 1990 for tax periods from July 2018 to June 2019 creating a demand of Rupees 405.983 million along with default surcharge and penalty on the issue of difference between value of closing stocks as per Holding Company's financial statements and the amount adopted in sales tax declaration. Against the aforesaid order, the Holding Company preferred an appeal before Commissioner Inland Revenue (Appeal) [CIR(A)] which is pending for hearing. The management, based on advice of the tax advisor, is confident of favorable outcome of the matter. Therefore, no provision has been recognized in these consolidated financial statements.

6.1.14 During the year ended 30 June 2022, Additional Commissioner Inland Revenue (ACIR) issued amended assessment orders against the Subsidiary Company under section 122(5A) of the Income Tax Ordinance, 2001 for the tax years 2017, 2018, 2019, 2020 and 2021 raising demands aggregating to Rupees 533.277 million on various issues. Against the aforesaid orders, the Subsidiary Company preferred appeals before Commissioner Inland Revenue (Appeals) [CIR(A)] on 15 October 2021, 06 January 2022, 21 February 2022, 15 March 2022 and on 16 June 2022 respectively. On 04 November 2021, CIR(A) passed an order whereby the order of ACIR was annulled in respect of all matters relating to tax year 2017 except in the matters of Workers' Profit Participation Fund (WPPF) which was remanded back to ACIR for consideration in view of judgement passed by Honorable Lahore Court, Lahore. Remand back proceedings by ACIR have not been initiated against the Subsidiary Company. During the year ended 30 June 2023, CIR (A) decided most of the matters in favour of the Subsidiary Company, while remanded back the case on certain matters to ACIR for tax years 2018, 2019, 2020 and 2021 to the tune of Rupees 290.311 million. Further, demand in respect of donation amounting to Rupees 1 million for tax year 2021 was confirmed which was duly provided for in these consolidated financial statements for the year ended 30 June 2023. However, remand back proceedings have not been initiated against the Subsidiary Company. Against the orders of CIR(A), the department has filed appeals before Appellate Tribunal Inland Revenue (ATIR) on 20 October 2022 for the tax year 2018 and on 12 October 2022 for the tax year 2019 and 2020 which are pending adjudication. Based on the opinion of tax advisor, the management has strong grounds to believe that the cases will be decided in favor of the Subsidiary Company. Therefore, no provision has been made in these consolidated financial statements.

6.1.15 On 04 February 2022, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 11 of the Sales Tax Act, 1990 for the tax periods November 2019 and March 2020 creating a demand of Rupees 2.046 million on account of disallowance of input sales tax on building materials alongwith default surcharge and penalty against the Subsidiary Company. The Subsidiary Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] on 02 March 2022 against the order of DCIR. CIR(A) through its order dated 31 May 2022 upheld the decision of DCIR. Being aggrieved with the order of CIR(A), the Subsidiary Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) 08 June 2022 who vide its order dated 17 November 2022 decided the case against the Subsidiary Company. However, the Subsidiary Company filed a rectification application against the aforesaid decision of ATIR on account of Subsidiary Company's name wrongly mentioned in the decision alongwith challenging the grounds of decision addressed by ATIR. On 15 June 2023, ATIR accepted the Subsidiary Company's stance in rectification application and also directed to re-start the proceedings afresh.However, the proceedings against the Subsidiary Company have not been started yet. The management, based on the advice of its legal counsel, has strong grounds to believe that the case will be decided in favor of the Subsidiary Company. Therefore, no provision has been made in these consolidated financial statements.

6.1.16 The Subsidiary Company has filed application to Federal Board of Revenue ("the Board") to condone the time limits for issuance of adjustment orders on account of advance payment amounting to Rupees 4.092 million in excess of sales tax liability for tax period August 2016 and excess payment amounting to Rupees 2.422 million due to rectification of sales tax liability for tax periods June 2017 and September 2017. The Subsidiary Company's stance is verifiable from the record of tax department. Based on the advice of the tax advisor, the management expects favorable outcome of the matter. Hence, no provision has been made in these consolidated financial statements.

6.1.17 The Subsidiary Company identified certain sales tax invoices relating to tax period July 2021 wherein the Subsidiary Company has duly discharged the liabilities in respect of input sales tax at the time of imports amounting to Rupees 10.086 million. However, the same input sales tax has not been adjusted against the output sales tax of the respective tax period due to the tax department's system mal-functioning. The Subsidiary Company filed application to the department to condone the time limits regarding the above explained matter as the Subsidiary Company's stance is verifiable from the department's record. On 12 July 2024, subsequent to the reporting period, the Board has condoned the time limit to adjust the aforementioned input sales tax amounting to Rupees 10.086 million.

6.1.18 On 18 September 2023, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 11 of the Sales Tax Act, 1990 for the tax periods July 2017 to June 2018 creating a demand of Rupees 80.602 million on account of various issues under relevant provisions of the Act. Being aggrieved with the order, the Subsidiary Company preferred an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] on 12 October 2023. CIR(A) through its order dated 25 April 2024 granted partial relief to the Subsidiary Company whereas defualt surcharge on various issues was upheld. Being aggrieved with the order of CIR(A), the Subsidiary Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) on 15 May 2024 except for defualt surcharge in respect of short declaration of taxable supplies amounting to Rupees 0.110 million. Subsidiary Company's appeal before ATIR has not been taken up for hearing yet. The management, based on the advice of tax advisor, has strong grounds to believe that the case will be decided in favor of the Subsidiary Company. Therefore, no provision has been made in these consolidated financial statements.

6.1.19 Corporate guarantees of Rupees 2,967.5 million (2024: Rupees 2,967.5 million) have been given by the Holding Company to the banks in respect of financing to Subsidiary Company.

6.1.20 Guarantees of Rupees 123 million (2024: Rupees 123 million) are given by the bank of the Group to Director Excise and Taxation, Karachi against disputed amount of infrastructure cess.

6.1.21 Guarantees of Rupees 66.314 million (2024: Rupees 66.314 million) are given by the bank of the Group to Chairman, Punjab Revenue Authority, Lahore against disputed amount of infrastructure cess.

6.1.22 Guarantees of Rupees 17.700 million (2024: Rupees 17.700 million) and Rupees 2.25 million (2024: Rupees 2.25 million) are given by the banks of the Group to Total Parco Pakistan Limited and Pakistan State Oil Company Limited respectively against fuel cards obtained by the Group for its employees.

		Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
6.2	**Commitments**		
6.2.1	Contracts for capital expenditures	210,591,354	34,265,983
6.2.2	Letters of credit other than for capital expenditures	143,745,004	366,300,016
7.	**FIXED ASSETS**		
	Operating fixed assets:		
	Owned (Note 7.1)	6,374,001,726	6,408,880,218
	Capital work-in-progress (Note 7.2)	215,290,922	163,649,545
		6,589,292,648	6,572,529,763

		Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
7.1	**Operating fixed assets – owned**		
	Opening book value	6,408,880,218	6,309,226,997
	Add: Cost of additions during the period / year (Note 7.1.1)	33,695,666	334,765,086
	Add: Revaluation of Surplus	-	15,180,500
	Add: Book value of assets transferred from right-of-use of assets	2,761,515	65,816,347
		6,445,337,399	6,724,988,930
	Less: Book value of deletions during the period / year (Note 7.1.2)	688,589	16,848,156
		6,444,648,810	6,708,140,774
	Less: Book value of written off during the period / year	-	6,075,596
		6,444,648,810	6,702,065,178
	Less: Depreciation charged during the period / year	70,647,084	293,184,960
	Closing book value	6,374,001,726	6,408,880,218
7.1.1	**Cost of additions during the period / year**		
	Buildings on freehold land	3,875,711	-
	Buildings on leasehold land	5,007,076	143,874,264
	Machinery	12,744,000	30,535,853
	Tanks and Pipeline	-	47,146,502
	Dispensing Pumps	3,546,765	39,978,545
	Moulds	-	42,190,440
	Furniture and fittings	1,685,500	1,960,722
	Vehicles	-	8,000,973
	Office equipment	523,465	2,529,407
	Computers	6,313,149	18,548,380
		33,695,666	334,765,086
7.1.2	**Book value of deletions during the period / year**		
	Cost:		
	Building on freehold Land	-	-
	Building on Leasehold Land	-	3,834,385
	Tanks & Pipelines	-	1,926,050
	Vehicles	-	17,786,026
	Computers	1,688,621	7,781,194
	Less: Accumulated depreciation	1,000,032	14,479,499
		688,589	16,848,156
7.2.	**Capital work-in-progress**		
	Civil works	143,568,065	116,438,207
	Tanks and Pipelines	-	31,224,679
	Dispensing pumps	12,818,393	15,986,659
	Unallocated expenditures	58,904,464	-
		215,290,922	163,649,545

8. RIGHT-OF-USE ASSETS

	Land	Buildings	Vehicles	Total
	Rupees			
At 30 June 2023	286,170,791	126,308,100	223,303,140	635,782,031
Add: Additions during the year	146,309,901	16,648,969	-	162,958,870
Add: Impact of lease modifications	2,486,841	7,880,302	-	10,367,143
Less: Impact of lease reassessment	10,991,411	(11,036,521)	-	(45,110)
Less: Book value of assets transferred to operating fixed assets - during the year	-	-	65,816,347	65,816,347
Less: Depreciation expense for the year	57,250,181	49,091,992	40,511,284	146,853,457
At 30 June 2024	366,725,941	112,781,900	116,975,509	596,393,130
Add: Additions during the year	5,474,371	-	4,971,343	10,445,714
Add: Impact of lease modifications	-	-	-	-
Less: Impact of lease terminations	-	-	-	-
Less: Book value of assets transferred to operating fixed assets - during the period	-	-	2,761,515	2,761,515
Less: Depreciation expense for the period	15,432,848	12,854,112	9,724,292	38,011,252
At 30 September 2024	356,767,464	99,927,788	109,461,045	566,066,077

Lease of land

The Holding Company obtained land on lease for its service centers, filling stations and storage warehouses. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from two to twenty years.

Lease of buildings

The Holding Company obtained buildings on lease for its offices. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Lease periods range from two to five years.

Lease of vehicles

The Group obtained vehicles on lease for employees and director of the Holding Company. The average contract duration is three years.

	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
9. INTANGIBLE ASSETS - computer software		
Opening book value	9,653,391	20,260,771
Add: Cost of additions during the period / year	-	-
Less: Written off during the year:		
Cost	-	(262,830)
Accumulated amortization	-	236,547
	-	(26,283)
Less: Amortization charged during the period / year	2,243,923	10,581,097
Closing book value	7,409,468	9,653,391
10. STOCK-IN-TRADE		
Raw materials (Note 10.1)	902,745,634	1,012,548,704
Work-in-process	78,265,854	77,857,504
	981,011,488	1,090,406,208
Lubricants and parts (Note 10.2)	743,473,034	795,841,776
Less: Provision for slow moving and damaged stock items	37,304,012	42,324,111
	706,169,022	753,517,665
Petroleum products		
- Stock in hand	1,013,675,889	316,614,901
- Stock in pipeline system (Note 10.3)	-	1,045,532,295
	1,013,675,889	1,362,147,196
Dispensing pumps and other installations	33,925,444	33,925,444
	2,734,781,843	3,239,996,513

10.1 These includes raw materials in transit amounting to Rupees 33.758 million (2024: Rupees 79.999 million) and raw materials amounting to Rupees 384.299 million (2024: Rupees 947.945 million) lying at customs bonded warehouse.

10.2 This includes stock amounting to Rupees 78.382 million (2024: Rupees 118.898 million) lying at customs bonded warehouse.

10.3 This represents the Company's share of pipeline stock of High Speed Diesel and Petroleum Motor Gasoline amounting to Rupees 243.174 million (2024: Rupees 355.458 million) and Rupees 142.593 million (2024: Rupees 687.248 million) respectively held by Pak-Arab Pipeline Company Limited.

	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees
11. CASH GENERATED FROM OPERATIONS		
Profit before taxation	1,975,631	(19,693,880)
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	42,254,044	68,316,003
Depreciation on right-of-use assets	38,011,252	37,581,330
Amortization of intangible assets	2,243,871	2,883,955
Amortization of deferred income - Government grant	-	5,998,605
Loss on disposal of operating fixed assets	688,590	6,248,008
Dividend income	(198,713)	(8,406,591)
Profit on bank deposits and short term investments	(1,993,810)	(15,964,918)
Gain on disposal of short term investments	1,189,980	-
Finance cost	177,007,837	200,999,126
Exchange (gain) / loss - net	11,897	17,550,817
Provision for workers' profit participation fund	-	4,493,784
Provision for workers' welfare fund	-	1,707,638
Working capital changes (Note 11.1)	(762,302,823)	(142,835,124)
	(501,112,244)	158,878,753

11.1 Working capital changes		
Decrease / (increase) in current assets:		
Stores	(3,285,494)	7,028,973
Stock-in-trade	505,214,670	68,113,890
Trade debts	520,071,448	(73,231,124)
Loans and advances	1,297,600	14,449,602
Short term deposits and prepayments	(34,832,783)	(24,463,590)
Other receivables	(159,412,748)	(111,234,724)
	829,052,693	(119,336,973)
Increase / (decrease) in trade and other payables	(1,591,355,516)	(23,498,151)
	(762,302,823)	(142,835,124)

12. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated undertakings, other related parties, key management personnel and provident fund trusts. The Group in the normal course of business carries out transactions with various related parties. Detail of significant transactions with related parties, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

		Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees
i Transactions			
Relationship	**Nature of transaction**		
Associated companies			
MAS Associates (Pvt) Limited	Share of common expenses	413,600	542,004
Other related parties			
SK Enmove Co., Ltd.	Purchase of lubricants	674,840,736	522,056,074
	Incentive	62,448,750	90,909,001
Hi-Tech Lubricants Limited Employees Provident Fund Trust	Contribution	8,206,582	6,219,739
Hi-Tech Blending (Private) Limited Employees Provident Fund Trust	Contribution	1,794,789	1,284,183
Sabra Hamida Trust	Donations	4,500,000	4,500,000
Key management personnel	Remuneration	129,444,298	120,813,735

	Un-Audited September 30 2024 Rupees	Audited June 30 2024 Rupees
ii Period end balances		
Associated companies		
Receivable from MAS Associates (Private) Limited	214,129	-
Other related parties		
Receivable from SK Enmove Co., Ltd. (Formerly SK Lubricants Co., Ltd.)	132,034,051	69,585,301
Payable to SK Enmove Co., Ltd. (Formerly SK Lubricants Co., Ltd.)	328,867,238	756,409,341
Payable to employees' provident fund trust	6,777,069	1,310,477

13 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 30 September 2024	Level 1	Level 2	Level 3	Total
	------------ Rupees ------------			
Financial assets				
Financial assets at fair value through profit or loss	217,927,808	-	-	217,927,808

Recurring fair value measurements at 30 June 2024	Level 1	Level 2	Level 3	Total
	------------ Rupees ------------			
Financial assets				
Financial assets at fair value through profit or loss	222,717,061	-	-	222,717,061

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further there was no transfer in and out of level 3 measurements.

The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation technique used to value financial instruments is the use of quoted market prices on Pakistan Stock Exchange and for funds, Net Asset Value (NAV) of respective Asset Management Company.

14 SEGMENT INFORMATION

The Group has two reportable segments. The following summary describes the operation in each of the Group's reportable segments:

Lubricants	Purchase, blend, package and sale of lubricants, parts and rendering of services.
Petroleum products	Marketing and sale of petroleum products.
Polymer	Manufacturing and sale of plastic bottles

	LUBRICANTS		PETROLEUM PRODUCTS		POLYMER		UNALLOCATED		TOTAL - GROUP	
	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees Restated	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees Restated	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees Restated	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees Restated	Un-Audited September 30 2024 Rupees	Un-Audited September 30 2023 Rupees Restated
Revenue from contracts with customers - net	1,760,002,303	1,620,851,150	5,228,833,774	2,378,659,258	114,090,442	81,404,398	-	-	7,102,926,519	4,080,914,806
Cost of sales	(1,238,298,982)	(1,208,045,763)	(5,125,288,671)	(2,268,510,786)	(103,934,219)	(56,430,227)	-	-	(6,467,521,872)	(3,532,986,776)
Gross profit	521,703,321	412,805,387	103,545,103	110,148,472	10,156,223	24,974,171	-	-	635,404,647	547,928,030
Distribution cost	(170,619,972)	(131,503,576)	(101,083,684)	(89,216,203)	(2,537,532)	(2,211,202)	-	-	(274,241,188)	(222,930,981)
Administrative expenses	(248,623,198)	(204,618,834)	(7,120,992)	(8,880,300)	(630,765)	(568,730)	-	-	(256,374,955)	(214,067,864)
Other expenses	203,961	(33,251,051)	(7,306,890)	(7,263,565)	-	-	-	-	(7,102,929)	(40,514,616)
	(419,039,209)	(369,373,461)	(115,511,566)	(105,360,068)	(3,168,297)	(2,779,932)	-	-	(537,719,072)	(477,513,461)
Other income	60,281,802	91,862,384	21,016,091	19,028,293	-	-	-	-	81,297,893	110,890,677
Profit / (loss) from operations	162,945,914	135,294,310	9,049,628	23,816,697	6,987,926	22,194,239	-	-	178,983,468	181,305,246
Finance cost	(135,122,390)	(128,087,686)	(23,740,280)	(33,282,034)	(18,145,167)	(39,629,406)	-	-	(177,007,837)	(200,999,126)
Loss before taxation and levy	27,823,524	7,206,624	(14,690,652)	(9,465,337)	(11,157,241)	(17,435,167)	-	-	1,975,631	(19,693,880)
Levy	(8,164,813)	(9,365,205)	(26,144,169)	(11,893,296)	(570,452)	(407,022)	-	-	(34,879,434)	(21,665,523)
Loss before taxation	19,658,711	(2,158,581)	(40,834,821)	(21,358,633)	(11,727,693)	(17,842,189)	-	-	(32,903,803)	(41,359,403)
Taxation	-	-	-	-	-	-	53,061,790	(15,340,628)	53,061,790	(15,340,628)
Loss profit after taxation	19,658,711	(2,158,581)	(40,834,821)	(21,358,633)	(11,727,693)	(17,842,189)	53,061,790	(15,340,628)	20,157,987	(56,700,031)

14.1 Reconciliation of reportable segment assets and liabilities:

	LUBRICANTS		PETROLEUM PRODUCTS		POLYMER		TOTAL - GROUP	
	Un-Audited September 30 2024 Rupees	Audited June 30 2023 Rupees	Un-Audited September 30 2024 Rupees	Audited June 30 2023 Rupees	Un-Audited September 30 2024 Rupees	Audited June 30 2023 Rupees	Un-Audited September 30 2024 Rupees	Audited June 30 2023 Rupees
Total assets for reportable segments	6,643,023,596	7,352,869,179	4,574,399,321	4,925,271,282	801,643,511	806,414,749	12,019,066,428	13,084,555,210
Unallocated assets							322,769,341	322,769,341
Total assets as per consolidated statement of financial position							12,341,835,769	13,407,324,551
Total liabilities for reportable segments	3,082,353,151	3,602,415,185	1,367,286,341	1,905,651,627	406,529,834	433,749,283	4,856,169,326	5,941,816,095
Unallocated liabilities							1,543,996,527	1,543,996,527
Total liabilities as per consolidated statement of financial position							6,400,165,853	7,485,812,622

14.2 All of the sales of the Group relates to customers in Pakistan.

14.3 All non-current assets of the Group as at the reporting dates are located in Pakistan.

15. UTILIZATION OF THE PROCEEDS OF THE INITIAL PUBLIC OFFER (IPO)

During the year ended 30 June 2016, the Holding Company made an Initial Public Offer (IPO) through issue of 29,001,000 ordinary shares of Rupees 10 each at a price of Rupees 62.50 per share determined through book building process. Out of the total issue of 29,001,000 ordinary shares, 21,750,500 shares were subscribed through book building by High Net Worth Individuals and Institutional Investors, while the remaining 7,250,500 ordinary shares were subscribed by the General Public and the shares were duly allotted on 18 February 2016. On 01 March 2016, Pakistan Stock Exchange Limited approved the Holding Company's application for formal listing of ordinary shares and trading of shares started on 03 March 2016.

Till 30 June 2017, the Holding Company utilized the proceeds of the initial public offer of 29,001,000 ordinary shares for the purposes mentioned under heading 5.5 'Expansion Plan' in prospectus dated 28 December 2015, as per the following detail:

Purposes Mentioned Under Heading 5.5 'Expansion Plan' In Prospectus Dated 28 December 2015	Total amount (Rupees)	Total amount utilized till 30 June 2017 (Rupees)
Investment in HTLL		
Land	470,000,000	60,618,100
Building	128,000,000	12,486,445
Plant, machinery and equipment	139,000,000	2,719,201
Pre-operating costs	33,000,000	249,630
Working capital	842,562,500	739,126,208
	1,612,562,500	**815,199,584**
Investment in 100% owned subsidiary		
Additional filling lines for blending plant, Hi-Tech Blending (Private) Limited - Subsidiary Company	200,000,000	-
Total	1,812,562,500	815,199,584
IPO proceeds (A)	1,812,562,500	
Amount un-utilized (A – B)	997,362,916	

As stated in the prospectus dated 28 December 2015, the Holding Company planned to offer state of the art retail outlets across Pakistan with multitude of unique services and also planned to install additional filling lines at the blending plant of its Subsidiary Company. The plan of the year 2015-16 covered 37 grand outlets openings in 11 major cities of Pakistan including Lahore, Gujranwala, Sialkot, Faisalabad, Multan, Islamabad, Rawalpindi, Karachi and Hyderabad. Over a period of 5 years, the Holding Company planned to open 75 retail outlets (including 67 rented) across 16 major cities of Pakistan. As per quarterly progress report number 06 dated 14 July 2017, the Holding Company informed all stakeholders the progress on implementation of project: Expansion through retail outlet: 1 owned service center under regulatory approval and out of the 10 rented service centers, 1 is operational, 3 are approved and under construction, 3 are under regulatory approvals and 3 are under negotiations. Accurate, effective and timely implementation of the above plans of the Holding Company became a big challenge for the Holding Company due to expensive lands and properties at key locations in almost all the cities for express service centers. Hence, the Holding Company planned for incorporation of express centers into its fuel stations to be established under the umbrella of Oil Marketing Company (OMC) Project of the Holding Company. In this regard, the Holding Company obtained a financial feasibility report from KPMG Taseer Hadi & Co., Chartered Accountants regarding investment in OMC Project. In view of successful fulfillment of initial mandatory requirements of Oil and Gas Regulatory Authority (OGRA) for setting up of an OMC and future prospects of OMC in current international scenario as prospected under financial feasibility report, the shareholders of the Holding Company in their 9th Annual General Meeting held on 29 September 2017 approved diversion and utilization of un-utilized IPO funds from HTL express centers and wholly owned Subsidiary Company to OMC Project of the Holding Company keeping in view overall growth of the Holding Company and ultimate benefit to all shareholders and stakeholders of the Holding Company.

The Project envisages setting up 360 retail outlets across Punjab, Sindh and Khyber Pakhtunkhwa Provinces of Pakistan. The fuel stations will offer full range of services such as general store, tyre shop and a car shop amongst others. To support sales, the Holding Company plans to invest in building storage capacities of 25,735 metric tons (Mogas and HSD) across the country over a period of 7 years.

During the year ended 30 June 2017, OGRA granted license to the Holding Company to establish an Oil Marketing Company (OMC), subject to some conditions. During the year ended 30 June 2018, with reference to OMC Project of the Holding Company, Oil and Gas Regulatory Authority (OGRA) has granted permission to proceed to apply/acquire No Objection Certificates (NOCs) from concerned departments including District Coordination Officer (DCO) for setting up of upto 26 retail outlets in Punjab Province with instructions that retail sales through petrol pumps can only be started after completion of necessary Storage Infrastructure, 3rd Party Inspector Report confirming that storage/depot meets OGRA's notified Technical Standards and OGRA's approval.

During the year ended 30 June 2018, the Holding Company completed its oil storage site at Sahiwal. The Holding Company also purchased land in Nowshera for oil storage site under OMC project.

On 31 May 2019, Oil and Gas Regulatory Authority (OGRA) has granted permission to the Holding Company to operate new oil storage facility at Sahiwal and marketing of petroleum products in the Province of Punjab. The Holding Company has signed agreements with various dealers for setting up petrol pumps under the OMC project and also started construction of another storage site at Nowshera, Khyber Pakhtunkhwa.

During the year ended on 30 June 2020, the Holding Company started its OMC operations and expediently worked on completion of its Nowshera oil storage. During the year ended 30 June 2021, Holding Company has completed its oil storage at Nowshera. On 09 August 2021, OGRA acknowledged the satisfactory completion of Nowshera oil storage based on third party inspection report. During the year ended 30 June 2022, the Holding Company has started work on new oil storage facility at Shikarpur. On 16 March 2023, OGRA has granted permission to the Holding Company to operate new storage facility at Nowshehra and marketing of petroleum products in the province of Khyber Pakhtunkhwa. Currently, the Holding Company has seven operational HTL Express Centers, four in Lahore, two in Karachi and one in Rawalpindi. Further, the Holding Company has fifty five retail outlets operational for sale of petroleum products as on 30 September 2024. Detail of payments out of IPO proceeds during the period ended 30 September 2024 is as follows:

	Rupees
Un-utilized IPO proceeds as at 01 July 2024	218,115,906
Add: Profit on bank deposits	244,492
Add: Dividend on investment in mutual funds	45,514
Less: Payments made relating to OMC Project	(8,535,973)
Less: Bank charges	(6,827)
	209,863,112

The un-utilized proceeds of the public offer have been kept by the Holding Company in the shape of bank balances and mutual funds.

16. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual financial statements of the Group for the year ended 30 June 2024.

17. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on 26 October 2024 by the Board of Directors of the Holding Company.

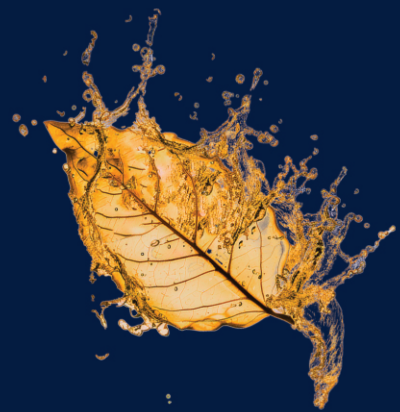
18. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, where necessary for the purpose of comparison. However, no significant re-arrangements of corresponding figures have been made in these consolidated condensed interim financial statements.

19. GENERAL

Figures have been rounded off to nearest of Rupee, unless otherwise stated.

Chief Executive	Director	Chief Financial Officer



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