

BUXIY

Paints



1st Quarter Ended
September 30, 2011

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Company Information

Board of Directors:

Mr. Bashir Ahmed	Chairman
Mr. Shamshad Ali	Chief Executive Officer
Mr. H.P. Kotwal	
Mr. Sheikh Ajaz Majid	
Mr. Fakhrul Arfin	
Mr. Salman Tarik Kureshi	
Mr. Saeed Mohammad Sheikh	
Mr. Sheikh Asim Rafiq	(NIT Nominee)
Mr. Muhammad Hanif Idrees	(Alternate Director to Mr. Sheikh Ajaz Majid)

Audit Committee:

Mr. H.P. Kotwal	Chairman
Mr. Salman Tarik Kureshi	Member
Mr. Muhammad Hanif Idrees	Member

Company Secretary:

Mr. Shayan Mufti

Auditors:

KPMG- Taseer Hadi & Co.
Chartered Accountants

Legal Advisor:

Mr. Laiq Ahmed Khan

Bankers:

Habib Metropolitan Bank Limited
Habib Bank Limited
NIB Bank Limited
National Bank of Pakistan
MCB Bank Limited
Bank Alfalah

Share Registrar:

Noble Computer Services (Pvt.) Ltd.
1st Floor, House of Habib Building,
(Siddiqsons Tower), 3- Jinnah C.H. Society,
Main Shahrah-e-Faisal, Karachi-75350,
Ph: (92-21) 34325482-87
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Registered Office:

D-31, South Avenue, S.I.T.E., Karachi.

Web Site Address:

<http://www.buxly.com>



Directors' Review

Directors are pleased to submit the Unaudited Condensed Interim Financial Statements for the quarter ended 30 September 2011.

With the reconstitution of Board financial results showed a positive change.

Sales value has increased by 27% from corresponding period of last year. Gross margins have improved from previous period. Selling and distribution expenses have gone up by 3% as variable expense relating to sales. Consequently, Company has registered a net profit of Rs. 0.8 Million as against loss of Rs. 1.5 Million for corresponding period of previous year.

We hope to maintain the momentum in coming months as well.

Chief Executive Officer

Director

Karachi: 28 October 2011



Condensed Interim Balance Sheet (Unaudited)
As at 30 September, 2011

	Notes	(Unaudited) 30 September 2011	(Audited) 30 June 2011
(Rupees in '000)			
ASSETS			
Non-current assets			
Property, plant and equipment		1,894	1,879
Long term loans and advances		977	737
Long term deposits		91	91
		<u>2,962</u>	<u>2,707</u>
Current Assets			
Stock-in-trade		18,502	18,988
Trade debts-unsecured, considered good		30,716	29,859
Current portion of long term loans and advances		312	232
Mark up receivable		66	66
Advances and deposits		7,815	7,962
Prepayments and other receivables		4,903	5,652
Tax refund due from Government		10,332	8,518
Term deposit receipts		150	150
Cash and bank balances		4,389	3,970
		<u>77,185</u>	<u>75,397</u>
Total assets		<u><u>80,147</u></u>	<u><u>78,104</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
5,000,000 (30 June 2011: 5,000,000) Ordinary shares of Rs. 10 each		<u>50,000</u>	<u>50,000</u>
Issued, subscribed and paid-up capital			
1,440,000 (30 June 2011: 1,440,000) ordinary shares of Rs. 10 each		14,400	14,400
Reserves		5,993	5,993
Unappropriated profit / (loss)		(14,956)	(15,751)
		<u>5,437</u>	<u>4,642</u>
Current liabilities			
Short term running finance - secured		2,691	2,822
Trade and other payables		72,019	70,625
Interest and mark-up accrued		-	15
		<u>74,710</u>	<u>73,462</u>
Contingencies and commitment	5		
Total equity and liabilities		<u><u>80,147</u></u>	<u><u>78,104</u></u>

The annexed notes from 1 to 9 form an integral part of these financial statements.


Chief Executive Officer


Director



**Condensed Interim Profit and Loss Account (Unaudited)
For the quarter ended 30 September 2011**

	Notes	Quarter ended	
		30 September 2011	30 September 2010
(Rupees in '000)			
Sales - net		25,202	19,897
Cost of sales	7	<u>(20,540)</u>	<u>(17,003)</u>
Gross profit		4,662	2,894
Distribution and selling expenses		<u>(2,539)</u>	<u>(2,376)</u>
Administrative expenses		<u>(1,428)</u>	<u>(1,479)</u>
		<u>(3,967)</u>	<u>(3,855)</u>
Operating profit / (Loss)		695	(961)
Other income		<u>290</u>	<u>122</u>
		985	(839)
Financial charges		<u>(130)</u>	<u>(678)</u>
Workers' profit participation fund		<u>(42)</u>	<u>-</u>
Workers' welfare fund		<u>(18)</u>	<u>-</u>
		<u>(190)</u>	<u>(678)</u>
Profit / (Loss) before taxation		795	(1,517)
Taxation			
Current		<u>-</u>	<u>(200)</u>
Prior years		<u>-</u>	<u>100</u>
		<u>-</u>	<u>(100)</u>
Net Profit / (Loss) for the period		<u>795</u>	<u>(1,617)</u>
Profit / (Loss) per share - basic and diluted		<u>0.55</u>	<u>(1.12)</u>

The annexed notes from 1 to 9 form an integral part of these financial statements.

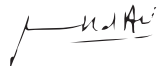

Chief Executive Officer


Director

**Condensed Interim Statement of Comprehensive Income (Unaudited)
For the quarter ended 30 September 2011**

	<u>Quarter ended</u>	
	30 September 2011	30 September 2010
	(Rupees in '000)	
Profit / (Loss) after taxation	795	(1,617)
Other comprehensive income	-	-
Total comprehensive income	<u>795</u>	<u>(1,617)</u>

The annexed notes from 1 to 9 form an integral part of these financial statements.


Chief Executive Officer



Director



**Condensed Interim Cash Flow Statement (Unaudited)
For the quarter ended 30 September 2011**

	<u>Quarter ended</u>	
	30 September 2011	30 September 2010
	(Rupees in '000)	
Cash flows from operating activities		
Cash generated from operations	2,774	25,969
Long term deposits and advances	(240)	(255)
Income tax paid	(1,814)	(187)
Finance cost paid	(130)	(743)
Net cash generated from operating activities	590	24,784
Cash flows from investing activities		
Addition to fixed assets	(40)	-
Cash flows from financing activities		
	-	-
Net decrease in cash and cash equivalents	550	24,784
Cash and cash equivalents at beginning of the year	1,148	(38,243)
Cash and cash equivalents at end of the year	1,698	(13,459)
CASH AND CASH EQUIVALENTS		
Cash and cash equivalents comprise:		
Cash and bank balances	4,389	2,407
Short term running finance	(2,691)	(15,866)
	1,698	(13,459)

The annexed notes from 1 to 9 form an integral part of these financial statements.


Chief Executive Officer


Director

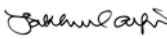


**Condensed Interim Statement of Changes in Equity (Unaudited)
For the quarter ended 30 September 2011**

	Issued, subscribed and paid-up capital	General reserve	Accumulated (loss) / Profit	Total
(Rupees in '000).....			
Balance as at 01 July 2010 (Restated)	14,400	5,993	(9,049)	11,344
Total comprehensive loss for the year ended 30 June 2011	-	-	(6,702)	(6,702)
Balance as at 30 June 2010	14,400	5,993	(15,751)	4,642
Total comprehensive income for the quarter ended 30 September 2011	-	-	795	795
Balance as at 30 September 2011	14,400	5,993	(14,956)	5,437

The annexed notes from 1 to 9 form an integral part of these financial statements.


Chief Executive Officer


Director



**Notes to the Condensed Interim Financial Statements (Unaudited)
For the quarter ended 30 September 2011**

1. STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan in April 1954 as a private limited company under the Companies Act, 1913 (now the Companies Ordinance, 1984) with registered office in Karachi, Sindh and subsequently converted into a public limited company in May 1985. Its shares are listed on the Karachi and Lahore Stock Exchanges. The principal activity of the company is manufacturing and sale of paints, pigments, protective surface coatings, varnishes and other related products.

The registered office of the company is situated at D-31, South Avenue, S.I.T.E. Karachi, Pakistan.

2. BASIS OF PREPARATION

These condensed financial statements are prepared in accordance with requirements of the International accounting standards 34, 'Interim Financial Reporting' and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi and Lahore Stock Exchanges.

The company's balance sheet presented in these financial statements as at 30 June 2011 has been extracted from audited financial statements of the company for the year ended 30 June 2011, whereas the comparative profit and loss accounts, cash flow statements and statement of changes in equity are unaudited.

3. ACCOUNTING POLICES

The accounting policies adopted for the preparation of these financial statements are same as those applied in preparation of the annual audited accounts of the company for the year ended June 30, 2011.

4. FIXED ASSETS

There is an addition of computers of Rs. 40K made during the period.

	30 September 2011	30 June 2011
	(Rupees in '000)	

5. CONTINGENCIES AND COMMITMENTS

Contingencies

Letter of guarantees	<u>2,637</u>	<u>2,637</u>
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6. Transactions with related parties	Quarter ended	
	30 September 2011	30 September 2010
	(Rupees in '000)	
Transactions with Berger Paints Pakistan Limited		
Purchases	17,435	21,280
Toll manufacturing expenses incurred	989	1,046
Rental expense and service charges	670	670
Royalty income	290	122
Buxly Paints Limited Provident Fund		
Company's Contribution	7	-
7. Cost of Sales		
Opening Stock of Finished goods	17,716	14,071
Add: Cost of goods manufactured	19,532	20,561
	<u>37,248</u>	<u>34,632</u>
Less: Closing Stock of Finished goods	<u>(16,708)</u>	<u>(17,629)</u>
Cost of Sales	<u><u>20,540</u></u>	<u><u>17,003</u></u>

8. Date of Authorization for issue

These financial statements were authorized for issue by the Board of Directors on October 28, 2011.

9. General

Figures have been rounded off to the nearest thousand rupees.


Chief Executive Officer


Director




Adding Value & Protection

Buxly has been manufacturing superior quality paints since 1933. The company's focus on quality and durability through constant research and development have kept the Buxly name synonymous with customer's trust, generation after generation.

Today, Buxly offers a comprehensive range of products. From preparatory materials to finishing products for regular painting needs for buildings, industries and for extreme conditions and very specialized applications.

When you buy Buxly, you buy excellence in protective and decorative finishes.

Buxly's - commitment to excellence in quality

-  Extensive product Research & Development.
-  Trained and dedicated professional staff.
-  Emphasis on modern Quality Control techniques.