



QUARTERLY REPORT

For the Quarter Ended
30 September 2014

Buxly
PAINTS

Buxly Paints Limited

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COMPANY INFORMATION

Board of Directors:

Mr. Bashir Ahmed	Chairman
Mr. Shamshad Ali	Chief Executive Officer
Mr. Fakhru Arfin	
Mr. Hameed Ahmed	
Mr. Saeed Mohammad Sheikh	
Mr. Muhammad Hanif Idrees	
Mr. Sheikh Asim Rafiq	(NIT Nominee)

Audit Committee:

Mr. Muhammad Hanif Idrees	Chairman
Mr. Saeed Mohammad Sheikh	Member
Mr. Fakhru Arfin	Member

Human Resource and

Remuneration Committee :

Mr. Hameed Ahmed	Chairman
Mr. Saeed Mohammad Sheikh	Member
Mr. Shamshad Ali	Member

CFO & Company Secretary:

Mr. Adnan Iqbal

Auditors:

Rehman Sarfraz Rahim Iqbal Rafiq
Chartered Accountants

Legal Advisor:

Mr. Laiq Ahmed Khan

Bankers:

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

Share Registrar :

THK Associates (Pvt.) Ltd.
Ground Floor, State Life Building No. 3
Dr. Zia Uddin Ahmed Road, P.O. Box No. 8533 Karachi
Ph: (92-21) 111-000-322
FAX: (92-21) 35655595

Registered Office:

X-3, Manghopir Road, S.I.T.E., Karachi-75700

Web Site Address:

<http://www.buxly.com>

Buxly Paints Limited

Directors' Review

The Directors of your Company are pleased to submit the un-audited condensed interim financial statements for the quarter ended September 30, 2014.

Despite political uncertainty and devastating floods in the Country during past few months, sales value for the period under review has increased by 9% from Rs. 31.3 million to Rs. 34.2 million, from the corresponding period of last year.

Gross margin has also shown slight improvement for the same period of last year.

Despite the increasing challenges, your Company is committed to improve the results in the remaining quarters of the year.

Chief Executive Officer

Director

Karachi: October 28, 2014

Buxly Paints Limited
Condensed Interim Balance Sheet (Un-audited)
As at 30 September 2014

	<i>Notes</i>	Un-audited 30 September 2014	(Audited) 30 June 2014
ASSETS			
Non-current assets			
Property, plant and equipment	4	62,168	62,189
Investment Property		4,925	4,986
Long term loans and advances		1,518	1,687
Long term deposits		91	91
Deferred taxation		-	-
		68,702	68,953
Current Assets			
Stock-in-trade		26,025	35,810
Trade debts-unsecured		34,513	44,953
Current portion of long term loans and advances		452	372
Mark up receivable		372	340
Advances and deposits		6,161	8,760
Prepayments and other receivables		4,460	3,608
Taxation - net		4,576	4,447
Term deposit receipts		1,630	1,630
Cash and bank balances		4,822	10,154
		83,011	110,074
Total assets		151,713	179,027
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital 5,000,000 (30 June 2014: 5,000,000) Ordinary shares of Rs. 10 each		50,000	50,000
Issued, subscribed and paid-up capital 1,440,000 (30 June 2014: 1,440,000) ordinary shares of Rs. 10 each		14,400	14,400
Reserves		5,993	5,993
Unappropriated profit / (loss)		(13,145)	(13,278)
		7,248	7,115
Surplus on revaluation of fixed assets		60,435	60,435
Current liabilities			
Advance from related party	6.1	40,000	40,000
Trade and other payables		44,030	71,477
		84,030	111,477
Contingencies and commitments	5		
Total equity and liabilities		151,713	179,027

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

Chief Executive Officer

Director

Buxly Paints Limited

Condensed Interim Profit and Loss Account (Un-audited)

For the quarter ended 30 September 2014

	Notes	Quarter ended	
		30 September 2014	30 September 2013
(Rupees in '000)			
Sales - net		34,210	31,301
Cost of sales	7	(28,002)	(25,703)
Gross profit		6,208	5,598
Distribution and selling expenses	6.1	(4,848)	(4,311)
Administrative expenses		(1,419)	(1,336)
		(6,267)	(5,647)
Operating profit / (loss)		(59)	(49)
Other income		596	493
		537	444
Financial charges		(37)	(24)
Workers' profit participation fund		(25)	(21)
Workers' welfare fund		-	(8)
		(62)	(53)
Profit / (loss) before taxation		475	391
Taxation		(342)	(313)
Net Profit/(Loss) for the period		133	78
Profit/(Loss) per share - basic and diluted		0.09	0.05

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

Chief Executive Officer

Director

Buxly Paints Limited

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the quarter ended 30 September 2014

	Quarter Ended	
	30 September 2014	30 September 2013
	(Rupees in '000)	
Profit/(Loss) after taxation	133	78
Other comprehensive income	-	-
Total comprehensive income	133	78

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

Chief Executive Officer

Director

Buxly Paints Limited

Condensed Interim Cash Flow Statement (Un-audited)

For the quarter ended 30 September 2014

	Quarter Ended	
	30 September 2014	30 September 2013
	(Rupees in '000)	
Cash flows from operating activities		
Cash generated from operations	(4,993)	3,409
Long term loans and advances	169	93
Income tax paid	(471)	(453)
Finance cost paid	(37)	(24)
Net cash generated from operating activities	(5,332)	3,025
Cash flows from investing activities		
Addition to fixed assets	-	-
Term deposit receipts	-	-
	-	-
Cash flows from financing activities		
	-	-
Net (decrease) / Increase in cash and cash equivalents	(5,332)	3,025
Cash and cash equivalents at beginning of the year	10,154	6,491
Cash and cash equivalents at end of the year	4,822	9,516

CASH AND CASH EQUIVALENTS

2014 2013
(Rupees in '000)

Cash and cash equivalents comprise:

Cash and bank balances	4,822	9,516
	4,822	9,516

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

Chief Executive Officer

Director

Buxly Paints Limited

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

For the quarter ended 30 September 2014

	Issued subscribed and paid-up capital	General reserve	Accumulated (loss) / profit	Share capital and reserve	Surplus on revaluation of fixed assets	Total
	------(Rupees in '000)-----					
Balance as at 01 July 2013	14,400	5,993	(13,966)	6,427	-	6,427
Total comprehensive income for the year ended 30 June 2014	-	-	688	688	60,435	61,123
Balance as at 30 June 2014	14,400	5,993	(13,278)	7,115	60,435	67,550
Total comprehensive income for the quarter ended 30 September 2014	-	-	133	133	-	133
Balance as at 30 September 2014	14,400	5,993	(13,145)	7,248	60,435	67,683

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

Chief Executive Officer

Director

Buxly Paints Limited

Notes to the Condensed Interim Financial Statements (Un-audited)

For the quarter ended 30 September 2014

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 coating, varnishes and other related products under a toll manufacturing agreement with Berger Paints Pakistan Limited dated 06 January 2003, at a specified toll manufacturing fees. As per the agreement, the Company will deliver the materials, packing, filling and other bulk components, together with other ingredients to Berger Paints Pakistan Limited, which will process the ingredients, pack the products and deliver the product to the Company or designated party in Pakistan indicated by the Company.

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 June 30, 2014 has been extracted from audited financial statements of the company for the year ended June 30, 2014, whereas the comparative profit and loss accounts, cash flow statements, statement of comprehensive income and statement of changes in equity are un-audited.

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, 2014.

4. FIXED ASSETS

There is no addition/disposal during the period.

5. CONTINGENCIES AND COMMITMENTS

	Un-audited	(Audited)
	30 September	30 June
	2014	2014
	(Rupees in '000)	
Contingencies		
Letter of guarantees	3,235	3,281

6. Transactions with Related Parties

	Quarter Ended	
	30 September 2014	30 September 2013
(Rupees in '000)		
Transactions with Berger Paints Pakistan Limited		
Purchases	16,044	22,907
Toll manufacturing expenses incurred	1,198	2,191
Rental expense and service charges	902	902
Royalty income	257	158
Rental Income	300	300
Transactions with M.S.Orchid (Private) Limited		
Service Charges	1,368	1,266
Buxly Paints Limited Provident Fund		
Company's Contribution	44	44

6.1. Advance From M.S.Orchid (Private) Limited

The amount of Rs. 40 million from M.S.Orchid (Private) Limited has been classified as advance and the related service charges have been classified in operating expenses.

7. Cost of Sales

Opening Stock of Finished goods	33,064	23,485
Add: Cost of goods manufactured	21,006	27,145
	54,070	50,630
Less: Closing Stock of Finished goods	(26,068)	(24,927)
Cost of Sales	28,002	25,703

8. Date of Authorization for issue

These financial statements were authorized for issue by the Board of Directors on October 28, 2014

9. General

Figures have been rounded off to the nearest thousand rupees.

Chief Executive Officer

Director

Buxly Paints Limited
X/3, S.I.T.E Manghopir Road, Karachi

