

**Quarterly Accounts  
For the First Quarter Ended  
Sep 30, 2016**



**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. Muhammad Sameeh Shafi	
Mr. Saeed Mohammad Sheikh	
Mr. Muhammad Hanif Idrees	
Mr. Sheikh Asim Rafiq	(NIT Nominee)
Mr. H.P Kotwal	

### Audit Committee:

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

### Human Resource and Remuneration Committee :

Mr. Bashir Ahmed	Chairman
Mr. H.P Kotwal	Member
Mr. Shamshad Ali	Member

### CFO & Company Secretary:

Mr. Asad Ali

### 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**  
**Condensed Interim Balance Sheet (Un-audited)**  
As at 30 September 2016

	<i>Note</i>	<b>Un-audited 30 September 2016</b>	<b>(Audited ) 30 June 2016</b>
<b>ASSETS</b>			
<b>(Rupees in '000)</b>			
<b>Non-current assets</b>			
Property and equipment		62,099	62,117
Investment properties		4,455	4,510
Long term loans and advances		1,890	2,278
Long term deposits		91	91
Deferred taxation		-	-
		<b>68,535</b>	<b>68,996</b>
<b>Current Assets</b>			
Stock-in-trade		16,932	14,554
Trade debts-unsecured		46,714	43,020
Current portion of long term loans and advances		649	742
Mark up receivable		238	232
Advances and deposits		10,172	10,188
Prepayments and other receivables		8,038	7,648
Taxation - net		6,744	6,671
Term deposit receipts / account		6,925	6,925
Cash and bank balances		20,279	16,632
		<b>116,691</b>	<b>106,612</b>
<b>Total assets</b>		<b>185,226</b>	<b>175,608</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized capital			
5,000,000 (30 June 2016: 5,000,000) Ordinary shares of Rs. 10 each		<b>50,000</b>	50,000
Issued, subscribed and paid-up capital		14,400	14,400
General reserves		5,993	5,993
Accumulated loss		(4,459)	(6,077)
		<b>15,934</b>	<b>14,316</b>
Surplus on revaluation of fixed assets		<b>60,435</b>	60,435
<b>Current liabilities</b>			
Advance from related party	4	40,000	40,000
Trade and other payables		68,857	60,857
		<b>108,857</b>	<b>100,857</b>
Contingencies and commitments	5	-	-
<b>Total equity and liabilities</b>		<b>185,226</b>	<b>175,608</b>

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 first quarter ended 30 September 2016

	Note	30 September 2016	30 September 2015
		(Rupees in '000)	
Sales		54,264	45,787
Cost of sales	6	(41,743)	(36,926)
<b>Gross profit</b>		<b>12,521</b>	<b>8,861</b>
Distribution and selling expenses		(9,938)	(7,301)
Administrative expenses		(1,211)	(1,192)
Operating profit / (loss)		<b>1,372</b>	<b>368</b>
Other income		1,057	1,013
		<b>2,429</b>	<b>1,381</b>
Financial cost		(106)	(38)
Other Charges		(162)	(94)
		<b>(268)</b>	<b>(132)</b>
<b>Profit / (loss) before taxation</b>		<b>2,161</b>	<b>1,249</b>
<b>Taxation</b>		<b>(543)</b>	<b>(458)</b>
<b>Profit/(Loss) for the period</b>		<b>1,618</b>	<b>791</b>
Earning per share - basic and diluted		<b>1.12</b>	<b>0.55</b>

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 Comprehensive Income (Un-audited)

For the first quarter ended 30 September 2016

	<b>30 September 2016</b>	30 September 2015
	<b>(Rupees in '000)</b>	
Profit/(Loss) after taxation	<b>1,618</b>	791
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b><u>1,618</u></b>	<b><u>791</u></b>

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 first quarter ended 30 September 2016

	<b>30 September 2016</b>	30 September 2015
	<b>(Rupees in '000)</b>	
<b>Cash flows from operating activities</b>		
Cash generated from operations	<b>4,369</b>	(2,452)
Long term loans and advances	-	-
Income tax paid	<b>(616)</b>	(1,435)
Finance cost paid	<b>(106)</b>	(38)
Net cash generated from operating activities	<b>3,647</b>	(3,925)
<b>Cash flows from investing activities</b>		
Addition to fixed assets	-	(12)
Term deposit receipts	-	-
	-	<b>(12)</b>
<b>Cash flows from financing activities</b>	-	-
Net decrease in cash and cash equivalents	<b>3,647</b>	<b>(3,937)</b>
<b>Cash and cash equivalents at 1-July</b>	<b>16,632</b>	12,221
<b>Cash and cash equivalents at 30-September</b>	<b>20,279</b>	<b>8,284</b>
	<b>2,016</b>	2,015
	<b>(Rupees in '000)</b>	
<b>Cash and cash equivalents:</b>		
Cash and bank balances	<b>20,279</b>	8,284
	<b>20,279</b>	<b>8,284</b>

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 first quarter ended 30 September 2016

	<b>Issued subscribed and paid-up capital</b>	<b>General reserve</b>	<b>Accumulated (loss) / profit</b>	<b>Share capital and reserve</b>	<b>Surplus on revaluation of fixed assets</b>	<b>Total</b>
	------(Rupees in '000)-----					
Balance as at 01 July 2015	14,400	5,993	(11,212)	9,181	60,435	69,616
Total comprehensive income for the year	-	-	5,135	5,135	-	5,135
Balance as at 30 June 2016	<u>14,400</u>	<u>5,993</u>	<u>(6,077)</u>	<u>14,316</u>	<u>60,435</u>	<u>74,751</u>
Total comprehensive income for the quarter ended 30 September 2016	-	-	1,618	1,618	-	1,618
Balance as at 30 September 2016	<u><u>14,400</u></u>	<u><u>5,993</u></u>	<u><u>(4,459)</u></u>	<u><u>15,934</u></u>	<u><u>60,435</u></u>	<u><u>76,369</u></u>

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 first quarter ended 30 September 2016*

### **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) and subsequently converted into a public limited company in May 1985. Its shares are listed on Pakistan Stock Exchange. 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, 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, who will process the ingredients and pack the products and deliver the products to the Company or designated party in Pakistan indicated by the Company. The registered office of the Company is situated at X-3, Manghopir Road, S.I.T.E. Karachi, Sindh, Pakistan.

### **2. BASIS OF PREPARATION**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise such International Financial Reporting Standards (IFRSs) issued by the International Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of, or directives issued under the Companies Ordinance, 1984 shall prevail.

The company's balance sheet presented in these financial statements as at June 30, 2016 has been extracted from audited financial statements of the company for the year ended June 30, 2016. The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2016.

### **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, 2016.

#### 4. Advance from Ms. Orchids (Pvt) Ltd

The amount of Rs. 40 million from Ms. Orchids (Pvt) Ltd has been classified as advance and the related service charges have been classified in operating expenses.

#### 5. Contingencies and Commitments

	Un-audited 30 September 2016	(Audited ) 30 June 2016
<b>(Rupees in '000)</b>		
<u>Contingencies</u>		
Letter of guarantees	10,160	10,160
Claim not acknowledged by the company	3,860	3,860
	<u>14,020</u>	<u>14,020</u>
	<b>30 September 2016</b>	<b>30 September 2015</b>

#### 6. Cost of Sales

Opening Stock of Finished goods	18,035	23,058
Add: Cost of goods manufactured	44,023	35,225
	<u>62,058</u>	<u>58,283</u>
Less: Closing Stock of Finished goods	(20,315)	(21,357)
Cost of Sales	<u>41,743</u>	<u>36,926</u>

#### 7. Transactions with related parties

	30 September 2016	30 September 2015
<b>(Rupees in '000)</b>		
<b>Transactions with Berger Paints Pakistan Limited</b>		
Purchases	38,098	28,776
Toll manufacturing expenses incurred	3,153	2,613
Rental expense and service charges	902	902
Royalty income	508	472
Rental Income	450	450
License fee	3	-
	<u>3</u>	<u>-</u>
<b>Transactions with M.S.Orchids (Private) Limited</b>		
Service Charges	2,171	1,832
<b>Buxly Paints Limited Provident Fund</b>		
Company's Contribution	96	76

#### 8. Date of authorization for issue


These financial statements were authorized for issue by the Board of Directors on 29.10.2016

#### 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