

BUXIY



1st QUARTER ENDED
September 30, 2012



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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

Human Resource and Remuneration Committee:

Mr. Saeed Mohammad Sheikh	Chairman
Mr. Fakhrul Arfin	Member
Mr. Shamshad Ali	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.
Mezzanine Floor, House of Habib Building,
(Siddiqsons Tower), 3- Jinnah C.H. Society,
Main Shahrah-e-Faisal, Karachi-75350,
Ph: (92-21) 34325482-87
Fax: (92-21)34325442

Registered Office:

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

Web Site Address:

<http://www.buxly.com>



Directors' Review

The Directors of your company are submitting the un-audited condensed interim financial statements for the quarter ended September 30, 2012.

Despite the law and order situation in the country, sales value for the period under review has increased by 6.3% from Rs. 25.2 Million to 26.8 Million from the corresponding period of last year.

Gross margin on sales has increased from 18.5% to 19.2% from the same period of last year.

Despite the increasing challenges, we will strive to optimize results.

Chief Executive Officer

Director

DATE: October 25, 2012
Karachi.



Condensed Interim Balance Sheet (Unaudited)
As at 30 September, 2012

	Notes	(Unaudited) 30 September 2012	(Audited) 30 June 2012
(Rupees in '000)			
ASSETS			
Non-current assets			
Property, plant and equipment		465	491
Investment Property		1,449	1,449
Long term loans and advances		815	889
Long term deposits		91	91
		2,820	2,920
Current Assets			
Stock-in-trade		30,337	26,118
Trade debts-unsecured, considered good		34,708	35,089
Current portion of long term loans and advances		354	354
Mark up receivable		80	77
Advances and deposits		7,808	8,168
Prepayments and other receivables		5,872	5,643
Tax refund due from Government		4,484	4,471
Term deposit receipts		1,630	150
Cash and bank balances		8,415	10,847
		93,688	90,917
Total assets		96,508	93,837
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
5,000,000 (30 June 2012: 5,000,000) Ordinary shares of Rs. 10 each		50,000	50,000
Issued, subscribed and paid-up capital			
1,440,000 (30 June 2012: 1,440,000) ordinary shares of Rs. 10 each		14,400	14,400
Reserves		5,993	5,993
Unappropriated loss		(13,991)	(14,098)
		6,402	6,295
Current liabilities			
Short term running finance - secured		-	1,836
Trade and other payables		90,106	85,626
Interest and mark-up accrued		-	80
		90,106	87,542
Contingencies and commitments	5		
Total equity and liabilities		96,508	93,837

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

Chief Executive Officer

Director

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**Condensed Interim Profit and Loss Account (Unaudited)
For the quarter ended 30 September 2012**

	Notes	Quarter ended	
		30 September 2012	30 September 2011
		(Rupees in '000)	
Sales - net		26,797	25,202
Cost of sales	7	<u>(21,652)</u>	<u>(20,540)</u>
Gross profit		5,145	4,662
Distribution and selling expenses		<u>(3,804)</u>	<u>(2,539)</u>
Administrative expenses		<u>(1,305)</u>	<u>(1,428)</u>
		<u>(5,109)</u>	<u>(3,967)</u>
Operating profit		36	695
Other income		<u>286</u>	<u>290</u>
		<u>322</u>	<u>985</u>
Financial charges		<u>(63)</u>	<u>(130)</u>
Workers' profit participation fund		<u>(13)</u>	<u>(42)</u>
Workers' welfare fund		<u>(5)</u>	<u>(18)</u>
		<u>(81)</u>	<u>(190)</u>
Profit before taxation		241	795
Taxation		(134)	-
Net Profit after taxation		<u>107</u>	<u>795</u>
Earning per share - basic and diluted		<u>0.07</u>	<u>0.55</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 2012**

	<u>Quarter ended</u>	
	30 September 2012	30 September 2011
	(Rupees in '000)	
Profit after taxation	107	795
Other comprehensive income	-	-
Total comprehensive income	<u>107</u>	<u>795</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 2012**

	<u>Quarter ended</u>	
	30 September 2012	30 September 2011
	(Rupees in '000)	
Cash flows from operating activities		
Cash generated from operations	966	2,774
Long term loans and advances	74	(240)
Income tax paid	(13)	(1,814)
Finance cost paid	(143)	(130)
Net cash generated from operating activities	884	590
Cash flows from investing activities		
Addition to fixed assets	-	(40)
Term deposit receipts	(1,480)	
Cash flows from financing activities	-	-
Net decrease in cash and cash equivalents	(596)	550
Cash and cash equivalents at beginning of the year	9,011	1,148
Cash and cash equivalents at end of the year	8,415	1,698
CASH AND CASH EQUIVALENTS		
Cash and cash equivalents comprise:		
Cash and bank balances	8,415	4,389
Short term running finance	-	(2,691)
	8,415	1,698

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 2012**

	Issued, subscribed and paid-up capital	General reserve	Accumulated (loss) / Profit	Total
(Rupees in '000).....			
Balance as at 01 July 2011	14,400	5,993	(15,751)	4,642
Total comprehensive income for the year ended 30 June 2012	-	-	1,653	1,653
Balance as at 30 June 2012	<u>14,400</u>	<u>5,993</u>	<u>(14,098)</u>	<u>6,295</u>
Total comprehensive income for the quarter ended 30 September 2012	-	-	107	107
Balance as at 30 September 2012	<u><u>14,400</u></u>	<u><u>5,993</u></u>	<u><u>(13,991)</u></u>	<u><u>6,402</u></u>

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 2012****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, who will process the ingredients and packing 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, 2012 has been extracted from audited financial statements of the company for the year ended June 30, 2012, whereas the comparative profit and loss accounts, cash flow statements 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, 2012.

4. FIXED ASSETS	30 September 2012	30 June 2012
	(Rupees in '000)	

There is no addition / disposal during the period.

5. CONTINGENCIES AND COMMITMENTS

Contingencies		
Letter of guarantees	<u><u>4,088</u></u>	<u><u>2,637</u></u>



6. TRANSACTIONS WITH RELATED PARTIES

	Quarter ended	
	30 September 2012	30 September 2011
	(Rupees in '000)	
Transactions with Berger Paints Pakistan Limited		
Purchases	22,923	17,435
Toll manufacturing expenses incurred	1,181	989
Rental expense and service charges	670	670
Royalty income	133	290
Rental Income	<u>150</u>	<u>-</u>
Transactions with M.S. Orchid (Private) Limited		
Service Charges	<u>1,017</u>	<u>-</u>
Buxly Paints Limited Provident Fund		
Company's Contribution	<u>8</u>	<u>7</u>

7. Cost of Sales

Opening Stock of Finished goods	21,398	17,716
Add: Cost of goods manufactured	<u>27,245</u>	<u>19,532</u>
	48,643	37,248
Less: Closing Stock of Finished goods	<u>(26,991)</u>	<u>(16,708)</u>
Cost of Sales	<u>21,652</u>	<u>20,540</u>

8. Date of Authorization for issue

These financial statements were authorized for issue by the Board of Directors on October 25, 2012

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's 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.