

## DIRECTORS' REVIEW

The Directors of the Company are pleased to present their review along with the interim financial statements of the Company for the half-year ended December 31, 2020.

### Operational Results

During the period under review, Country's economy struggled to revive after Covid-19 situation. Low interest rates, Government grants and reliefs to various sectors contributed to the revival efforts and economy has started showing signs of resilience.

Your Company achieved net sales of Rs. 155.29 million as compared to 164.28 million in the same period of last year. Selling and Administrative expenditure remained at Rs. 22.61 million compared to Rs. 26.97 million of the same period last year even after inflationary increase in expenses. Financial costs also showed expected positive trend.

The Company reported after tax profit of Rs. 0.472 million compared to Rs. 0.480 million for the corresponding period of the previous year.

### Future Outlook

Despite tough competition and economic challenges, the Company is confident to continue on positive trajectory and to meet its budgeted sales in remaining part of the year.

On behalf of the Board



Chief Executive



Director

Karachi

Dated: February 26, 2021

## BUXLY PAINTS LIMITED

**BUXLY PAINTS LIMITED**

**Statements of Accounts for The  
Half Year Ended 31 December 2020**





**INDEPENDENT AUDITORS' REVIEW REPORT**

To the members of **BUXLY PAINTS LIMITED**

Report on review of Interim Financial Statements

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Buxly Paints Limited** as at December 31, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other matter**

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended 31 December 2020 and 2019 have not been reviewed, as we are required to review only cumulative figures for the half year ended 31 December 2020.

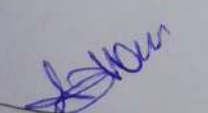
The engagement partner on the review resulting in this independent auditors' report is Mr. Rashid Rahman Mir.

  
**Rahman Sarfaraz Rahim Iqbal Rafiq**  
CHARTERED ACCOUNTANTS  
Lahore:


**Buxly Paints Limited**  
**Condensed Interim Statement of Financial Position**  
**As at 31 December 2020**

	Note	31 December 2020 (Un-audited)	30 June 2020 (Audited)
(Rupees in '000')			
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property and equipment	6	131,594	131,554
Investment properties	7	4,111	4,201
Long term loans and advances		2,742	2,315
Long term receivable		5,400	4,500
Long term security deposits		141	141
Deferred taxation	8	-	-
		<u>143,988</u>	<u>142,711</u>
<b>Current Assets</b>			
Stock - in -trade	9	77,110	72,243
Trade debts - unsecured	10	83,147	79,244
Advances and deposits	11	10,820	10,218
Prepayments and other receivables		166	613
Term deposit receipts / account		150	150
Mark-up receivable		5	11
Current portion of long term loans and advances		413	382
Tax Adjustable / Recoverable		6,130	8,191
Cash and bank balances	12	23,754	10,859
		<u>201,695</u>	<u>181,911</u>
<b>Total Assets</b>		<u><u>345,683</u></u>	<u><u>324,622</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
<b>Authorised Capital</b>			
5,000,000 (30 June 2020: 5,000,000) ordinary shares of Rs. 10 each		<u>50,000</u>	<u>50,000</u>
<b>Issued, subscribed and paid-up capital</b>			
1,440,000 (30 June 2020: 1,440,000) ordinary shares of Rs. 10 each		14,400	14,400
<b>Capital reserves</b>			
Surplus on revaluation of property	13	130,352	130,352
<b>Revenue reserves</b>			
General reserve		5,993	5,993
Accumulated (Loss)		<u>(18,167)</u>	<u>(18,639)</u>
		132,578	132,106
<b>Non Current liabilities</b>			
Long Term Finance - secured	14	<u>2,092</u>	<u>1,385</u>
<b>Current Liabilities</b>			
Markup Accrued	14	1,065	1,225
Current portion of long term Finance		2,092	462
Unpaid Dividend		217	217
Unclaimed Dividend		102	102
Short term borrowing - secured	15	61,449	45,882
Trade and other payables	16	146,088	143,243
		211,013	191,131
Contingencies and commitments	17	-	-
		<u>345,683</u>	<u>324,622</u>
<b>Total Equity and Liabilities</b>		<u><u>345,683</u></u>	<u><u>324,622</u></u>

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer



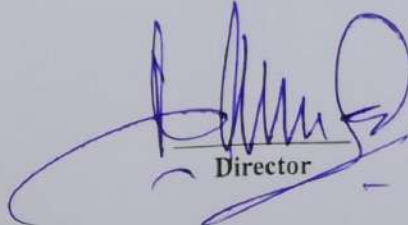


**Buxly Paints Limited**  
**Condensed Interim Statement of Profit or Loss (Un-audited)**  
**For the Half Year ended 31 December 2020**

	Note	Half year ended		Quarter ended	
		31 December 2020	31 December 2019	31 December 2020	31 December 2019
------(Rupees in '000')-----					
Sales	18	155,297	164,289	84,406	85,307
Cost of sales	19	(129,241)	(132,675)	(69,729)	(67,714)
<b>Gross profit</b>		<b>26,056</b>	<b>31,614</b>	<b>14,677</b>	<b>17,593</b>
Distribution and selling expenses	20	(13,551)	(21,870)	(7,515)	(12,431)
Administrative expenses	21	(9,063)	(5,103)	(6,746)	(2,966)
		(22,614)	(26,973)	(14,261)	(15,397)
		3,442	4,641	416	2,196
Other income		1,812	2,150	906	1,152
		5,254	6,791	1,322	3,348
Finance cost		(2,242)	(3,692)	(1,185)	(2,014)
Other charges	22	(211)	(155)	(10)	(32)
		(2,453)	(3,847)	(1,195)	(2,046)
<b>Profit before tax</b>		<b>2,801</b>	<b>2,944</b>	<b>127</b>	<b>1,302</b>
Taxation		(2,329)	(2,464)	(1,266)	(1,279)
<b>Profit for the period</b>		<b>472</b>	<b>480</b>	<b>(1,139)</b>	<b>23</b>
Earning per share - basic and diluted		0.33	0.33	(0.79)	0.02

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 Chief Executive

  
 Director

  
 Chief Financial Officer



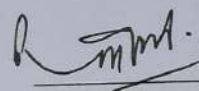
Buxly Paints Limited  
 Condensed Interim Statement of Comprehensive Income (Un-audited)  
 For the Half Year ended 31 December 2020

	Half year ended		Quarter ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Profit / (Loss) after taxation	472	480	(1,139)	23
Other comprehensive income - net of tax				
Items that may be classified subsequently to profit or loss account	-	-	-	-
Items that will never be classified to profit or loss account	-	-	-	-
Total comprehensive income / (loss) for the period	<u>472</u>	<u>480</u>	<u>(1,139)</u>	<u>23</u>

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

  
 Chief Executive

  
 Director

  
 Chief Financial Officer

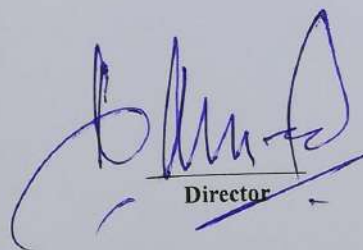


**Buxly Paints Limited**  
**Condensed Interim Statement of Changes in Equity (Un-audited)**  
**For the Half Year ended 31 December 2020**

	Issued, subscribed and paid-up capital	Capital Reserve Surplus on revaluation of fixed assets	Revenue Reserve		Total
			General reserve	Accumulated Profit/(losses)	
----- (Rupees in '000) -----					
Balance as at 01 July 2019	14,400	130,352	5,993	(18,691)	132,054
<i>Total comprehensive income for the half year ended 31 December 2019</i>	-	-	-	480	480
Balance as at 31 December 2019	14,400	130,352	5,993	(18,211)	132,534
<i>Total comprehensive income/(loss) for the half year ended 30 June 2020</i>	-	-	-	(428)	(428)
Balance as at 30 June 2020	14,400	130,352	5,993	(18,639)	132,106
<i>Total comprehensive income for the half year ended 31 December 2020</i>	-	-	-	472	472
<b>Balance as at 31 December 2020</b>	<b>14,400</b>	<b>130,352</b>	<b>5,993</b>	<b>(18,167)</b>	<b>132,578</b>

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

  
 Chief Executive

  
 Director

  
 Chief Financial Officer



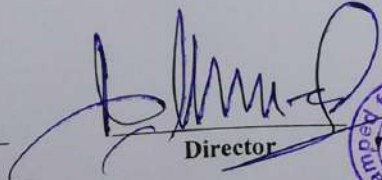


**Buxly Paints Limited**  
**Condensed Interim Statement of Cash Flows (Un-audited)**  
**For the Half Year ended 31 December 2020**

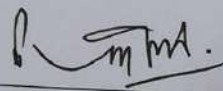
	NOTE	31 December 2020	31 December 2019
		----- (Rupees in '000) -----	
<b>Cash Flows from Operating Activities</b>			
Profit before taxation		2,801	2,944
Adjustments for:			
Depreciation		121	134
Impairment loss for expected credit loss		4,000	-
Workers' Profit Participation Fund		151	155
Workers' Welfare Fund		60	-
Mark-up on term deposit receipt		(6)	(344)
Finance cost		2,242	3,692
Rental Income		(900)	(900)
		<u>5,668</u>	<u>2,737</u>
Operating cash flows before working capital changes		8,469	5,681
<b>Working Capital Changes</b>			
<b>(Increase)/Decrease in Current Assets:</b>			
Stock-in-Trade		(4,867)	(3,780)
Trade Debts		(7,903)	(27,514)
Advances and deposits		(602)	2,983
Prepayments and other receivables		447	2,535
<b>Increase/(Decrease) in Current Liabilities:</b>			
Trade & Other Payables		2,634	25,653
		<u>(10,291)</u>	<u>(123)</u>
Cash (used in)/generated from operations		(1,822)	5,558
Finance Cost paid		(2,402)	(3,350)
Income Tax paid		(268)	(2,100)
		<u>(2,670)</u>	<u>(5,450)</u>
Net Cash (used in)/generated from Operating Activities		<u>(4,492)</u>	<u>108</u>
<b>Cash Flows from Investing Activities</b>			
Additions to Property and Equipment		(71)	-
Mark up received on term deposit receipt		12	127
Long Term Loans and Advances		(458)	(1,105)
Long term security deposits		-	(50)
Net Cash (used in)/generated from Investing Activities		<u>(517)</u>	<u>(1,028)</u>
<b>Cash Flows from Financing Activities</b>			
Long term Finance		2,337	-
Short term borrowing - secured		15,567	(1,762)
Net Cash generated from Financing Activities		<u>17,904</u>	<u>(1,762)</u>
Net (decrease)/Increase in Cash and Cash Equivalents during the period		12,895	(2,682)
Cash and Cash Equivalents at the beginning of the period		10,859	18,284
Cash and Cash Equivalents at the end of the period	12	<u>23,754</u>	<u>15,602</u>

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

  
 Chief Executive

  
 Director



  
 Chief Financial Officer



**Buxly Paints Limited**  
**Notes to the Condensed Interim Financial Statements (Un-audited)**  
**For the Half Year ended 31 December 2020**

**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 Act, 2017) and subsequently converted into a public limited company in May 1985. Its shares are listed on the 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 packs the products and delivers the products to the Company or designated party in Pakistan indicated by the Company.

Geographical location and address of business units/plants

Purpose	Location	Address
a Registered Office	Karachi	X-3, Manghopir Road, S.I.T.E. Karachi, Sindh, Pakistan.
b Head Office	Lahore	The Annexe, 36- Industrial Estate, Kotlakh Pat, Lahore
c Islamabad Office	Islamabad	The Annexe, Plot No. 201, Street No. 1, Sector 1-10/3, Industrial Area, Islamabad

**2 STATEMENT OF COMPLIANCE**

These 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 International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

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

The cumulative figures for the half year ended December 31, 2020 presented in these condensed interim financial statements are unaudited but have been subjected to limited scope review by the auditors of the Company, as required under section 237 of the Companies Act, 2017 ("the Act") and is un-audited as required by the Act and Code of Corporate Governance.

These condensed interim financial statements comprise of the Statement of Financial Position as at December 31, 2020, Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows together with the selected notes for the half year ended December 31, 2020.

The comparative Statement of Financial Position presented in these condensed interim financial statements has been extracted from the audited Financial Statements of the Company for the year ended June 30, 2020, whereas the comparative Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the half year ended December 31, 2019 have been subjected to review but not audited.

These interim financial statements do not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the company's annual financial statements for the year ended June 30, 2020.



### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2020.

#### 3.1 New standards, amendments to approved accounting standards and new interpretations

##### 3.1.1 Amendments to approved accounting standards which are effective during the year ending June 30, 2021.

There are certain amendments to approved accounting standards which are mandatory for accounting periods beginning on or after July 1, 2020 but are considered not to be relevant or have any significant effect on the Company's financial reporting.

##### 3.1.2 New standards and amendments to approved accounting standards that are effective for the Company's accounting periods beginning on or after July 1, 2021

There is a new standard and certain amendments to approved accounting standards that will be mandatory for accounting periods beginning on or after July 1, 2021 but are considered not to be relevant or expected to have any significant effect on the Company's financial reporting.

##### 3.1.3 Previous period's figures are re-arranged/ re-classified where necessary to facilitate comparison and are rounded off to the nearest thousand of rupee; appropriate disclosure is given in relevant note in case of material rearrangement.

### 4 ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at the year ended 30 June 2020.

### 5 RISK MANAGEMENT

The Company's risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2020.

### 6 PROPERTY AND EQUIPMENT

Opening written down value  
Additions during the period-at cost  
Disposal / Transfer during the year/ period  
Depreciation charged

	31 December 2020 (Un-audited) (Rupees in '000)	30 June 2020 (Audited)
	131,554	131,637
	71	-
	-	-
	(31)	(83)
	<u>131,594</u>	<u>131,554</u>





	31 December 2020 (Un-audited)	30 June 2020 (Audited)
	(Rupees in '000)	
<b>7 INVESTMENT PROPERTIES</b>		
Opening written down value	4,201	4,390
Transferred from property and equipment-at cost	-	-
Depreciation charged	(90)	(189)
	<u>4,111</u>	<u>4,201</u>

The company is currently recording investment property at cost. Had the investment property been measured at fair value, the value of property would have been Rs. 107.197/- million and the forced sale value will be Rs. 90.614/- million as per independent valuers' report of June 2018.

a. Land element has been valued at Rs. 97.142/- million after enquiring market rates of similar sized plots in vicinity from the real estate agents and keeping in view the location, size and availability of the land. The land is situated at Manghopir Road, S.I.T.E, Karachi having area of 17,071 square fee. and

b. The building element has been valued at Rs. 10.055 million after taking into account the type and class of construction. Building is situated on a portion of the same land covering an area of 3,500 square fee.

#### 8 DEFERRED TAXATION

Deferred tax asset amounting to Rs. 7.061 Million ( 30 June 2020 : Rs 5.576 Million) has not been recognised in the financial statements as it is not probable that enough taxable profits will be available in the future against which such deductible temporary differences will be utilised.

#### 9 STOCK-IN-TRADE

Packing material	2,237	1,142
Work-in-process	2,683	3,060
Finished goods	76,947	72,798
	<u>81,867</u>	<u>77,000</u>
Provision against slow moving stocks:		
- Finished goods	(4,757)	(4,757)
	<u>77,110</u>	<u>72,243</u>

#### 10 TRADE DEBTS - unsecured

Considered good	83,147	79,244
Considered doubtful	17,181	13,181
	<u>100,328</u>	<u>92,425</u>
Provision against Expected Credit Loss	(17,181)	(13,181)
	<u>83,147</u>	<u>79,244</u>

#### 11 ADVANCES AND DEPOSITS

<b>Advances - unsecured, considered good</b>		
Employees	589	581
Advance to supplier	-	398
<b>Deposits</b>		
Margin against letters of guarantee, earnest money and security deposits	11.1 10,231	9,239
	<u>10,820</u>	<u>10,218</u>

#### 11.1 This represents:

Margin against letter of guarantees	4,713	4,713
Earnest money and tender deposits	7,750	6,758
Provision against letter of expired guarantee, earnest money & tender deposits	(2,232)	(2,232)
	<u>10,231</u>	<u>9,239</u>



	<b>31 December 2020 (Un-audited)</b>	<b>30 June 2020 (Audited)</b>
	<b>(Rupees in '000)</b>	
<b>12 CASH AND BANK BALANCES</b>		
In hand		
At banks - in current accounts	60	61
	<u>23,694</u>	<u>10,798</u>
	<u>23,754</u>	<u>10,859</u>
<b>13 SURPLUS ON REVALUATION OF PROPERTY</b>		
	<u>130,352</u>	<u>130,352</u>

The surplus is in respect of the land located at Plot No. X-3, Manghopir Road, S.I.T.E, Karachi. The plot is revalued on June 30, 2018 by an independent valuer M/s Harvester Services (Private) Limited, Karachi. The valuation of land has been made on the basis of fair market value. The valuation resulted in net surplus of Rs. 130.352 million. The aforementioned surplus amount has been shown as part of equity. Previously such revaluation was carried out in July 2013 by independent valuer M/S Iqbal A. Nanjee & Co (Pvt.) Limited.

**14 LONG TERM FINANCE-SECURED**

Opening balance	1,847	-
Obtained during the year	<u>2,337</u>	<u>1,847</u>
	4,184	1,847
Paid during the year	-	-
Current portion	<u>(2,092)</u>	<u>(462)</u>
	<u>2,092</u>	<u>1,385</u>

A term finance facility under the refinance scheme for payment of wages and salaries to the workers and employees of business concerns of State Bank of Pakistan has been obtained for an amount up to Rs. 5 Million for a term of 2.5 years with grace period of 6 months. This facility is sanctioned to finance wages and salaries of permanent, contractual, outsourced, daily wagers. This arrangement is secured against first hypothecation charge of Rs. 107 million over stocks and receivables of the company and additional comfort of first equitable mortgage charge of Rs. 67 million on industry property of the company situated at Plot # X-3, Manghopir Road, S.I.T.E., Karachi. This facility is being repaid in 8 equal quarterly instalments ending on October 2022. It carries markup @ SBP + 3% p.a. The aforementioned facility has been obtained from JS Bank Limited.

**15 SHORT TERM BORROWING - SECURED**

	<u>61,449</u>	<u>45,882</u>
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Company has entered into an agreement with JS Bank Limited for short term running finance facility under mark-up arrangement. This arrangement is secured against first hypothecation charge of Rs. 107 million over stocks and receivables of the company and additional comfort of first equitable mortgage charge of Rs. 67 million on industrial property of the company situated at Plot # X-3, Manghopir Road, S.I.T.E., Karachi. The running finance facility carries mark-up of 1 months KIBOR + 2%. Total limit available to the Company amounting to Rs. 50 million (2020: 50 million). The amount in excess is due to issuance of cheques not presented till cut off date.





		31 December 2020 (Un-audited)	30 June 2020 (Audited)
		(Rupees in '000)	
<b>16 TRADE AND OTHER PAYABLES</b>			
Creditors	16.1	140,603	139,261
Accrued expenses		764	748
Other liabilities		4,721	3,234
		<u>146,088</u>	<u>143,243</u>

16.1 This includes payable to following associated undertakings:

Berger Paints Pakistan Limited	<u>128,543</u>	<u>127,174</u>
	<u>128,543</u>	<u>127,174</u>

## 17 CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of contingencies and commitments as reported in note 20 to annual audited financial statements of the Company for the year ended 30 June 2020.

## 18 SALES

	Half year ended		Quarter ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
----- (Rupees in '000) -----				
Gross sales	196,057	202,496	106,189	106,189
Sales tax	(29,186)	(30,182)	(15,977)	(13,591)
	<u>166,871</u>	172,314	90,212	92,598
Commission and discount	(11,574)	(8,025)	(5,806)	(7,291)
	<u>155,297</u>	<u>164,289</u>	<u>84,406</u>	<u>85,307</u>



19 COST OF SALES

	Half year ended		Quarter ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	----- (Rupees in '000) -----			
<b>Opening stock</b>				
Packing material	1,142	5,261	2,242	8,015
	<u>1,142</u>	<u>5,261</u>	<u>2,242</u>	<u>8,015</u>
<b>Add: Purchases</b>				
Raw material	112,860	115,262	67,882	66,626
Packing material	9,565	9,184	6,322	6,041
	<u>122,425</u>	<u>124,446</u>	<u>74,204</u>	<u>72,667</u>
	<u>123,567</u>	<u>129,707</u>	<u>76,446</u>	<u>80,682</u>
<b>Less: Closing stock</b>				
Packing material	(2,237)	(7,283)	(2,237)	(7,283)
	<u>121,330</u>	<u>122,424</u>	<u>74,209</u>	<u>73,399</u>
Raw and packing material consumed				
<b>Manufacturing expenses</b>				
Toll manufacturing expenses	11,683	12,009	7,213	8,283
	<u>133,013</u>	<u>134,433</u>	<u>81,422</u>	<u>81,682</u>
<b>Work in process</b>				
Opening Stock	3,060	1,439	3,284	2,238
Closing stock	(2,683)	(1,575)	(2,683)	(1,575)
	377	(136)	601	663
	<u>133,390</u>	<u>134,297</u>	<u>82,023</u>	<u>82,345</u>
Cost of goods manufactured				
<b>Finished goods:</b>				
Opening stock	72,798	61,603	64,653	48,594
Closing stock	(76,947)	(63,225)	(76,947)	(63,225)
	(4,149)	(1,622)	(12,294)	(14,631)
	<u>129,241</u>	<u>132,675</u>	<u>69,729</u>	<u>67,714</u>





20 DISTRIBUTION AND SELLING EXPENSES

	Half year ended		Quarter ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
	(Rupees in '000)			
Salaries, wages and other benefits	6,021	11,105	3,085	5,776
Advertising expenses / sales promotion	271	1,415	121	898
Carriage outward	3,432	3,806	2,192	2,344
Depreciation	24	27	12	13
Printing and stationery	467	76	249	53
Rent Rates and Taxes	236	539	129	425
Travelling & conveyance	1,432	1,443	839	754
Postage, telephone and fax	121	51	62	17
Provision for expenses	1,000	2,700	500	500
Others	547	708	326	451
	<u>13,551</u>	<u>21,870</u>	<u>7,515</u>	<u>11,231</u>

21 ADMINISTRATIVE EXPENSES

Salaries, wages and other benefits	3,047	2,451	1,732	1,106
Depreciation	97	107	48	52
Printing and stationery	4	376	-	348
Repairs & maintenance	8	76	8	59
Travelling & conveyance	264	111	149	76
Directors' fee	200	263	200	263
Auditors' fee	113	125	113	125
Impairment loss for expected credit loss	4,000	-	4,000	-
Others	1,330	1,594	621	937
	<u>9,063</u>	<u>5,103</u>	<u>6,871</u>	<u>2,966</u>

22 OTHER CHARGES

Workers' Profit Participation Fund	151	155	7	32
Workers' Welfare Fund	60	-	3	-
	<u>211</u>	<u>155</u>	<u>10</u>	<u>32</u>

23 RELATED PARTY RELATIONSHIP AND TRANSACTIONS

Related parties comprises of associated undertakings, directors of the company, major shareholders and their close family members and key management personnel and employee retirement benefits plans. The transactions with related parties are entered into at commercial / agreed terms and conditions. Transactions with key management personnel are made as per the term of employment.

Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim financial information are as follows:

	Half year ended	
	31 December 2020	31 December 2019
	(Rupees in '000)	
<b>Associated undertakings:</b>	<u>112,860</u>	<u>115,262</u>
Purchases during the period	600	600
Rental expense and service charges	11,683	12,009
Toll manufacturing expenses incurred	1,800	1,800
Rent income	6	6
License fee		
<b>Remuneration of key management personnel</b>	<u>1,187</u>	<u>3,632</u>
Management remuneration	424	821
House rent and other benefits	200	263
Directors' meeting fee		

Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place:

S. No.	Company Name	Basis of Relationship	Aggregate % of shareholding
1	Berger Paints Pakistan Limited	Share Holding	19%
		2020	2019
		(Rupees in '000')	
		<u>290</u>	<u>200</u>

Buxly Paints Limited Provident Fund  
Company's contribution



*On-balance sheet financial instruments*

31 December 2020 - (Un-audited)

Financial assets measured at fair value

*Financial assets not measured at fair value*

Long term loans and advances

Long term security deposits

Trade debts - unsecured

Advances and deposits

Prepayments and other receivables

Term deposit receipts / account

Mark-up receivable

Bank balances

Financial liabilities measured at fair value

*Financial liabilities not measured at fair value*

Long Term Finance - secured

Markup Accrued

Unpaid Dividend

Unclaimed Dividend

Short term borrowing - secured

Trade and other payables

30 June 2020

Financial assets measured at fair value

*Financial assets not measured at fair value*

Long term loans and advances

Long term security deposits

Trade debts - unsecured

Advances and deposits

Prepayments and other receivables

Term deposit receipts / account

Mark-up receivable

Bank balances

Financial liabilities measured at fair value

*Financial liabilities not measured at fair value*

Long Term Finance - secured

Markup Accrued

Unpaid Dividend

Unclaimed Dividend

Short term borrowing - secured

Trade and other payables

Note	Carrying Amount			Fair Value		
	Assetised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3
	Rupees '000'					
	-	-	-	-	-	-
	-	-	-	-	-	-
24.1						
	3,155	-	3,155	-	-	-
	141	-	141	-	-	-
	83,147	-	83,147	-	-	-
	10,820	-	10,820	-	-	-
	47	-	47	-	-	-
	150	-	150	-	-	-
	5	-	5	-	-	-
	23,694	-	23,694	-	-	-
	121,159	-	121,159	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
24.1						
	-	4,184	1,847	-	-	-
	-	1,065	1,065	-	-	-
	-	217	217	-	-	-
	-	102	102	-	-	-
	-	61,449	61,449	-	-	-
	-	143,224	143,224	-	-	-
	-	210,241	207,904	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
24.1						
	2,697	-	2,697	-	-	-
	141	-	141	-	-	-
	79,244	-	79,244	-	-	-
	10,218	-	10,218	-	-	-
	407	-	407	-	-	-
	150	-	150	-	-	-
	11	-	11	-	-	-
	10,798	-	10,798	-	-	-
	103,666	-	103,666	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
24.1						
	-	1,847	1,847	-	-	-
	-	1,225	1,225	-	-	-
	-	217	217	-	-	-
	-	102	102	-	-	-
	-	45,882	45,882	-	-	-
	-	141,072	141,072	-	-	-
	-	190,345	190,345	-	-	-
	-	-	-	-	-	-

24.1 The management considers the carrying amount of all financial assets and liabilities not measured according to the fair value hierarchy at the end of the reporting period to approximate their fair value as at the reporting date.





25 **IMPACT OF COVID-19 (CORONA VIRUS)**

A novel strain of corona virus (COVID-19) that was classified as a pandemic by the World Health Organization in March 2020, impacting countries globally. This pandemic has significantly affected all segments of economy. The fair value determination at the measurement date has become more challenging due to the uncertainty of the economic impact of COVID-19. The Company expects that going forward these uncertainties would reduce as the impact of COVID-19 on overall economy subsides and management have evaluated and concluded that there is no going concern uncertainty and there are no material implications of COVID-19 impacts that requires disclosures/ adjustments in these financial statements.

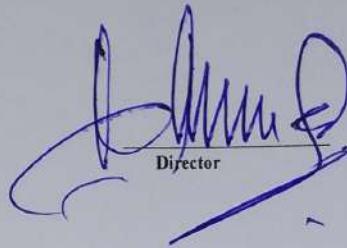
26 **SUBSEQUENT MATERIAL EVENTS**

There are no significant activities since 31 December 2020 affecting the condensed interim financial statement apart from those disclosed in the condensed interim financial statements.

27 **DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial information has been authorized for issue on \_\_\_\_\_ by the Board of Directors.

  
\_\_\_\_\_  
Chief Executive

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

