

DIRECTORS' REVIEW

The Directors of the Company are pleased to present their review along with the interim financial statements of the Company for the nine months ending on 31 March 2022.

Economy of Pakistan is gradually emerging due to declining impact of pandemic globally and domestically. Overall financial performance of industry including Construction, Steel, Auto and Cement sectors, has shown improvement during this period over last year.

Despite economic challenges, the Company achieved sales of Rs.363.024 million with an increase of 42% as compared to last year. However, global surge in raw material prices kept pressure on gross margins and devaluation of Pak Rupee beside increase in interest rates further increased input costs. Resultantly, the Company achieved profit after tax Rs. 2.743 million, with a marginal increase over last year.

The Directors take this opportunity of thanking our shareholders and valued customers for their continued trust. Company also appreciates the dedication demonstrated by all tiers of the Company's staff.

On behalf of the Board

Chief Executive

Director

Karachi

Dated: 26 April 2022

BUXLY PAINTS LIMITED

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Buxly Paints Limited
Condensed Interim Statement of Financial Position (Unaudited)
As at 31 March 2022

	31-Mar 2022 (Unaudited)	30-Jun 2021 (Audited)
	(Rupees in '000)	
ASSETS		
Non current assets		
Property and equipment	133,577	131,596
Investment properties	3,895	4,022
Long term loans and advances	3,363	1,360
Long term receivable	7,500	6,300
Long term security deposits	141	141
Deferred taxation	-	-
	<u>148,476</u>	<u>143,419</u>
Current assets		
Stock-in-trade	88,866	100,908
Trade debts - unsecured	158,251	116,453
Advances and deposits	12,404	10,926
Prepayments and other receivables	1,002	1,749
Term deposit receipts / account	150	150
Mark up receivable	4	12
Current portion of long term loans and advances	454	243
Taxation - net	3,785	5,983
Cash and bank balances	709	20,034
	<u>265,625</u>	<u>256,458</u>
Total assets	<u><u>414,101</u></u>	<u><u>399,877</u></u>
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised capital 5,000,000 (2020: 5,000,000) Ordinary shares of Rs.10 each	<u>50,000</u>	<u>50,000</u>
Issued, subscribed and paid-up capital	14,400	14,400
Capital reserves		
Surplus on revaluation of property	130,352	130,352
Revenue reserves		
General Reserve	5,993	5,993
Accumulated (Loss)	(12,741)	(15,874)
	<u>138,004</u>	<u>134,871</u>
Non Current liabilities		
Long Term Finance	<u>1,569</u>	<u>1,046</u>
Current liabilities		
Markup Accrued	1,351	1,040
Current portion of long term Finance	-	2,092
Unpaid Dividend	217	217
Unclaimed Dividend	102	102
Short term borrowing - secured	40,029	73,886
Trade and other payables	232,830	186,623
	<u>274,529</u>	<u>263,960</u>
Contingencies and commitments		
Total equity and liabilities	<u><u>414,102</u></u>	<u><u>399,877</u></u>

Chief Executive Officer

Director



Chief Financial Officer

Buxly Paints Limited
Condensed Interim Statement of Profit or Loss (Unaudited)
For the Period ended 31 March 2022

	For the Nine Months ended		For the Quarter Ended	
	31, March 2022	31, March 2021 (Restated)	31, March 2022	31, March 2021 (Restated)
	(Rupees in '000)			
Sales	363,024	254,886	144,522	100,589
Cost of sales	(325,308)	(219,352)	(133,390)	(86,680)
Gross profit	37,716	35,534	11,132	13,909
Distribution and selling expenses	(18,662)	(20,045)	(4,106)	(6,926)
Administrative expenses	(10,164)	(7,516)	(2,961)	(2,453)
	(28,826)	(27,561)	(7,067)	(9,379)
	8,890	7,973	# 4,065	4,530
Other income	2,709	2,718	903	906
	11,599	10,691	4,968	5,436
Finance cost	(3,770)	(3,951)	(1,365)	(1,709)
Other charges	(548)	(472)	(252)	(261)
	(4,318)	(4,423)	(1,617)	(1,970)
Profit/(Loss) before tax	7,281	6,268	3,351	3,466
Taxation	(4,538)	(3,846)	(1,807)	(1,516)
Profit/(Loss) for the year	2,743	2,422	1,544	1,950
Earning/(Loss) per share - basic and diluted	1.90	1.68	# 1.07	1.35

Chief Executive Officer

Director



Chief Financial Officer

Buxly Paints Limited**Condensed Interim Statement of Comprehensive Income (Unaudited)***For the Period ended 31 March 2022*

	For the Nine Months ended		Quarter ended	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
	------(Rupees in '000)-----			
Profit/(Loss) after tax	2,743	2,422	1,544	1,950
Other comprehensive income - net of tax				
Items that may be classified subsequently to statement of profit or loss				
Items that will never be classified to statement of profit or loss	-	-	-	-
Total comprehensive income/(loss)	<u>2,743</u>	<u>2,422</u>	<u>1,544</u>	<u>1,950</u>

Chief Executive Officer

Director

Chief Financial Officer

Buxly Paints Limited

Condensed Interim Statement of Cash Flows (Unaudited)

For the period ended Mar 31, 2022

	31-Mar 2022	31-Mar 2021
	(Rupees in '000)	
Cash flows from operating activities		
Profit/(Loss) before tax	7,281	6,267
Adjustments for:		
Depreciation	441	192
WPPF		337
WWF		135
Finance cost	3,770	3,951
Mark-up on term deposit receipts	(10)	(9)
Provision for doubtful debts	1,444	-
Rental Income	(2,393)	(1,350)
	<u>10,533</u>	<u>9,523</u>
(Increase) / decrease in current assets		
Stock-in-trade	12,042	(22,361)
Trade debts	(42,834)	(26,415)
Advances and deposits	(1,478)	(620)
Prepayments and other receivables	747	91
	<u>(31,523)</u>	<u>(49,305)</u>
(Decrease) / increase in current liabilities		
Trade and other payables	46,207	22,401
Net cash (used in) / generated from operating activities	<u>25,217</u>	<u>(17,381)</u>
Income tax paid	(2,359)	(3,000)
Finance cost paid	(3,459)	(4,123)
Net cash used in operations	<u>19,399</u>	<u>(24,504)</u>
Cash flows from investing activities		
Additions to property and equipment	(2,295)	(71)
Proceeds from term deposit receipts	-	-
Long term receivables	(1,200)	
Long term security deposits	-	-
Mark up received on term deposit receipts	18	12
Long term loans and advances - given	(1,913)	153
Net cash (used in) / generated from investing activities	<u>(5,390)</u>	<u>94</u>
Cash flows from financing activities		
Long term Finance	523	1,814
Short term borrowing - secured	(33,857)	12,813
Net cash generated from financing activities	<u>(33,334)</u>	<u>14,627</u>
Net increase in cash and cash equivalents during the year	<u>(19,325)</u>	<u>(9,783)</u>
Cash and cash equivalents at beginning of the year	<u>20,034</u>	<u>10,859</u>
Cash and cash equivalents at end of the year	<u>709</u>	<u>1,076</u>

Chief Executive Officer

Director

Chief Financial Officer

Buxly Paints Limited
Condensed Interim Statement of Changes in Equity (Unaudited)
For the Period ended 31 March 2022

	<u>Capital Reserves</u>	<u>Revenue Reserves</u>			
	Issued	Surplus on	General	Accumulated	Total
	subscribed and	revaluation of	reserve	profit/ (loss)	
	paid-up capital	property			
------(Rupees in '000)-----					
Balance as at 30 June 2020	14,400	130,352	5,993	(18,639)	132,106
Total comprehensive (loss) for the year	-	-	-	2,765	2,765
Balance as at 30 June 2021	14,400	130,352	5,993	(15,874)	134,871
Total comprehensive income for the Nine Month Period	-	-	-	2,743	2,743
Balance as at 31 March 2022	14,400	130,352	5,993	(13,130)	137,615

Chief Executive Officer

Director



Chief Financial Officer

4. LONG TERM FINANCE-SECURED

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. 6 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.

5. SHORT TERM BORROWINGS - SECURED

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 industry 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 is amounting to Rs. 50 million (2020: Rs. 50 million).

6. CONTINGENCIES AND COMMITMENTS

There is no change in Contingencies and Commitments as reported in June 30, 2021

Chief Executive Officer

Director



Chief Financial Officer

7 TRANSACTIONS WITH RELATED PARTIES

	31-Mar 2022	31-Mar 2021
	(Rupees in '000)	
Transactions with Berger Paints Pakistan Limited		
Purchases	244,739	198,570
Toll manufacturing expenses incurred	24,984	19,869
Rental expense and service charges	900	900
Carriage outward expenses	-	-
Royalty income	-	-
Rental income	2,700	2,700
License fee	9	9

8 RECLASSIFICATION OF COMPARATIVE FIGURES

Comparative figures of freight and provision for discounts adjustments are reclassified in Cost of sales and Gross Sales from Selling and Distribution expenses respectively.

9 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors on April 26, 2022.

10 GENERAL

Figures have been rounded off to the nearest thousand rupees.

Chief Executive Officer

Director



Chief Financial Officer