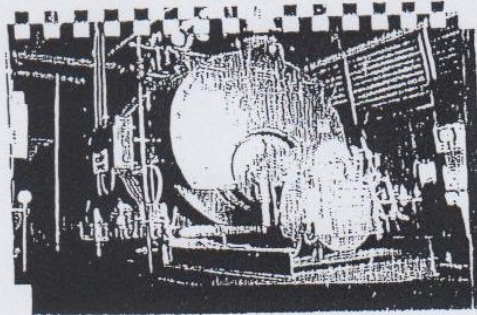
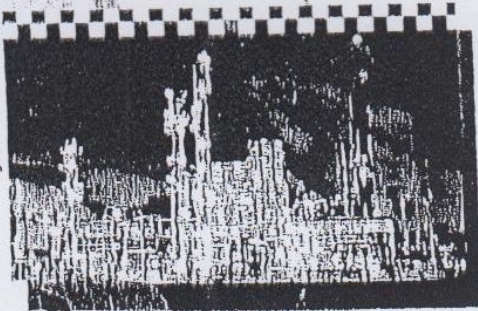
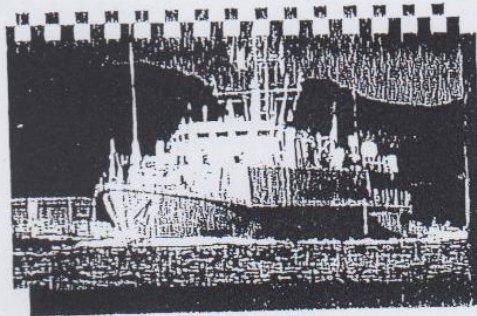
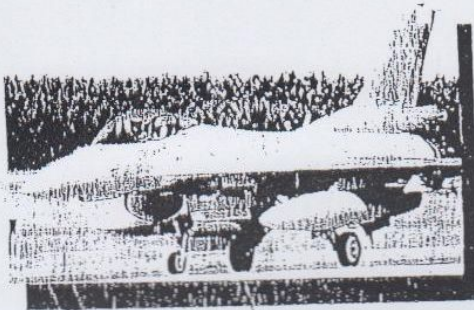


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NINE MONTHS ENDED

MARCH 31, 2014

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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 Metro 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 unaudited condensed interim financial statements for the nine months ended March 31, 2014.

Sales value for the period under review being at Rs. 105.91 Million as against Rs. 100.86 Million for the corresponding period of the last year, increased by 5%. Profit after tax for the period was Rs. 1.11 million as compared to the loss of corresponding period. The positive results are due to sustained gross margins, control over operating costs and also an increase in other income.

Despite challenges faced by the industry in the form of continuing energy crises coupled with law & order situation, your company will try to mitigate these adversities through better sales and also cost management.

CHIEF EXECUTIVE

DIRECTOR

Date: April 26, 2014
Karachi.

Buxly Paints Limited
 CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
 AS AT 31 MARCH 2014

	Note	Un-audited 31 March 2014	Audited 30 June 2013
(Rupees in '000)			
ASSETS			
Non-Current Assets			
Property, plant and equipment	6	62,162	453
Investment properties		5,051	6,587
Long term loans and advances		718	847
Long term deposits		91	91
Term deposit receipts		50	50
Deferred tax asset	7	-	-
		<u>68,072</u>	<u>8,028</u>
Current Assets			
Stock-in-trade		34,157	28,631
Trade debts - unsecured		41,819	39,453
Current portion of long term loans and advances		279	431
Mark-up receivable		306	202
Advances and deposits		7,039	6,382
Prepayments and other receivables		2,875	3,113
Taxation - net		4,476	3,948
Term deposit receipts		1,580	1,580
Cash and bank balances		6,878	6,491
		<u>99,409</u>	<u>90,231</u>
Total Assets		<u><u>167,481</u></u>	<u><u>98,259</u></u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised Capital			
5,000,000 (30 June 2013: 5,000,000) Ordinary shares of Rs. 10 each		<u>50,000</u>	<u>50,000</u>
Issued, subscribed and paid-up capital			
1,440,000 (30 June 2013: 1,440,000) ordinary shares of Rs. 10 each		<u>14,400</u>	<u>14,400</u>
Reserves			
Accumulated losses		<u>(12,852)</u>	<u>(13,966)</u>
		7,541	6,427
Surplus on revaluation of fixed assets	8	60,435	-
Current Liabilities			
Advance from Related Party	9	<u>40,000</u>	<u>40,000</u>
Trade and other payables		<u>59,505</u>	<u>51,832</u>
		99,505	91,832
Contingencies and commitments	10	-	-
Total Equity and Liabilities		<u><u>167,481</u></u>	<u><u>98,259</u></u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive

Director

Buxly Paints Limited
 CONDENSED INTERIM PROFIT AND LOSS (UN-AUDITED)
 FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014

	Note	Nine months period ended		Quarter ended	
		31 March 2014	31 March 2013	31 March 2014	31 March 2013
		(Rupees in '000)		(Rupees in '000)	
Sales - net	11	105,916	100,860	36,011	37,585
Cost of sales	12	(87,388)	(83,378)	(29,497)	(31,037)
Gross profit		18,528	17,482	6,514	6,548
Distribution and selling expenses	13	(13,560)	(13,674)	(4,915)	(5,077)
Administrative expenses	14	(4,324)	(4,761)	(1,589)	(1,786)
		(17,884)	(18,435)	(6,504)	(6,863)
Operating profit / (loss)		644	(953)	10	(315)
Other income		1,783	999	570	351
		2,427	46	580	36
Financial charges	15	(94)	(221)	(19)	(47)
Workers' Profit Participation Fund		(117)	-	(28)	-
Workers' Welfare Fund		(43)	-	(10)	-
		(254)	(221)	(57)	(47)
Profit / (loss) before taxation		2,173	(175)	523	(11)
Taxation-current		(1,059)	(504)	(360)	(188)
Profit / (loss) for the period		1,114	(679)	163	(199)
Earnings / (loss) per share - basic and diluted		0.77	(0.47)	0.11	(0.14)

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive

Director

Buxly Paints Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014

	Nine months period ended		Quarter ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Profit / (loss) after taxation	1,114	(679)	163	(199)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss)	<u>1,114</u>	<u>(679)</u>	<u>163</u>	<u>(199)</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive

Director

Buxly Paints Limited
 CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
 FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014

	31 March 2014	31 March 2013
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	2,173	(175)
Adjustments for:		
- Depreciation	262	91
- Financial charges	94	221
	<u>356</u>	<u>312</u>
	2,530	137
Working capital changes		
<i>(Increase) / decrease in current assets</i>		
Stock in trade	(5,526)	(1,281)
Trade debts	(2,366)	(2,230)
Mark-up receivable	(104)	(39)
Advances and deposits	(657)	1,279
Prepayments and other receivables	238	2,006
	<u>(8,416)</u>	<u>(265)</u>
<i>(Decrease) / increase in current liabilities</i>		
Advance	-	40,000
Creditors, accrued and other liabilities	7,673	(38,223)
Cash generated from operations	<u>1,787</u>	<u>1,649</u>
Financial charges	(94)	(301)
Long term loans and advances	281	(113)
Income tax	(1,587)	(158)
	<u>(1,400)</u>	<u>(572)</u>
Net cash flow from operating activities	387	1,077
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in term deposits	-	(1,480)
Renovation of Building	-	(5,408)
Additions to property, plant and equipment	-	(58)
Net cash flow from investing activities	-	(6,946)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash flow from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	387	(5,869)
Cash and cash equivalents at beginning of the period	6,491	9,011
Cash and cash equivalents at end of the period	<u>6,878</u>	<u>3,142</u>
Cash and cash equivalent comprises:		
Cash and bank balances	6,878	3,142
	<u>6,878</u>	<u>3,142</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive

Director

Buxly Paints Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2014

	Issued, subscribed and paid-up capital	General reserve	Accumulated (loss) / unappropriated profit	Total
	----- (Amounts in Rs '000) -----			
Balance as at 1 July 2012	14,400	5,993	(14,098)	6,295
<i>Transactions with owners, recorded directly in equity</i>	-	-	-	-
Total comprehensive profit for the year ended 30 June 2013	-	-	132	132
Balance as at 30 June 2013	<u>14,400</u>	<u>5,993</u>	<u>(13,966)</u>	<u>6,427</u>
<i>Transactions with owners, recorded directly in equity</i>	-	-	-	-
Total comprehensive profit for the nine month period ended 31 March 2014	-	-	1,114	1,114
Balance as at 31 March 2014	<u>14,400</u>	<u>5,993</u>	<u>(12,852)</u>	<u>7,541</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Chief Executive

Director

Buxly Paints Limited

NOTE TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 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, who will process the ingredients and packs the products and delivers the product 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, Pakistan.

2. STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the nine months period ended 31 March 2014 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This condensed interim financial information is un-audited and is being submitted as required by Section 245 of the Companies Ordinance, 1984.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 30 June 2013.

4. ESTIMATES

The preparation of condensed interim financial information requires management to make judgements, 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 end for the year ended 30 June 2013.

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 2013.

6. PROPERTY, PLANT AND EQUIPMENT

6.1 There is no additions/disposal during the period.

7. DEFERRED TAXATION

Deferred tax asset has not been recognized on account of taxable losses and deductible temporary differences (net of taxable temporary differences) as it is not probable that the offset will be available in future.

31 March 2014 (Un-audited)	30 June 2013 (Audited)
(Rupees in '000)	

8. SURPLUS ON REVALUATION OF FIXED ASSETS	<u>60,435</u>	<u>-</u>
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Land is transferred from investment property and revalued during the period. The surplus represents the land located at Plot No. X-3, Manghopir Road, S.I.T.E, Karachi, which was previously held at cost. The said plot is revalued on July 18, 2013 by an independent valuer M/s Iqbal A. Nanjee & Co. (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. 60.435 million. The aforementioned surplus amounts has been credited to surplus on revaluation of fixed assets account to comply with the requirements of Section 235 of the Companies Ordinance, 1984.

31 March 2014 (Un-audited)	30 June 2013 (Audited)
(Rupees in '000)	

9. ADVANCE	<u>40,000</u>	<u>40,000</u>
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The advance is received from a related party for business purpose as disclosed in note no. 16

10. CONTINGENCIES AND COMMITMENTS

31 March 2014 (Un-audited)	30 June 2013 (Audited)
(Rupees in '000)	

Letter of guarantees	<u>1,887</u>	<u>1,887</u>
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11. SALES - net

	Nine months period ended		Quarter ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	------(Rupees in '000)-----			
Gross sales	127,242	118,574	43,566	44,293
Sales tax	(19,914)	(16,340)	(7,024)	(6,094)
	107,328	102,234	36,542	38,199
Commission and discounts	(1,412)	(1,374)	(531)	(614)
	105,916	100,860	36,011	37,585

12. COST OF SALES

Opening stock				
Container and packing material	681	1,097	1,562	1,243
	681	1,097	1,562	1,243
Add: Purchases				
Raw material	79,310	74,658	26,969	28,841
Container and packing material	7,728	5,804	2,616	2,513
	87,038	80,462	29,585	31,354
	87,719	81,559	31,147	32,597
Less: Closing stock				
Container and packing material	(1,276)	(1,550)	(1,276)	(1,550)
Raw material, container and packing material consumed	86,443	80,009	29,871	31,047
Manufacturing expenses				
Toll manufacturing expenses	5,875	4,196	1,584	1,643
	92,318	84,205	31,455	32,690
Work in process				
Opening stock	7,843	6,401	7,504	7,046
Closing stock	(7,863)	(6,834)	(7,863)	(6,885)
	(20)	(433)	(359)	161
Cost of goods manufactured	92,298	83,772	31,096	32,851
Opening stock of finished goods				
Closing stock of finished goods	23,485	21,398	26,796	19,978
	(28,396)	(21,792)	(28,396)	(21,792)
	(4,911)	(394)	(1,600)	(1,814)
Cost of goods sold	87,388	83,378	29,497	31,037

13. SELLING AND DISTRIBUTION EXPENSES

	Nine months period ended		Quarter ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	------(Rupees in '000)-----			
Salaries, wages and other benefits	6,190	6,838	1,917	2,460
Advertising expenses/Sales promotion	144	85	142	28
Carriage outward	1,326	2,039	407	745
Depreciation	52	68	17	22
Service charges	4,236	4,011	1,440	1,527
Others	1,612	633	992	295
	13,560	13,674	4,915	5,077

14. ADMINISTRATIVE EXPENSES

Salaries, wages and other benefits	1,723	1,872	538	763
Depreciation	210	23	70	8
Service charges	180	180	60	60
Others	2,211	2,686	921	956
	4,324	4,761	1,589	1,786

15. FINANCIAL CHARGES

Bank charges	94	221	19	47
	94	221	19	47

16. RELATED PARTY RELATIONSHIP AND TRANSACTIONS

The related parties comprise Berger Paints Limited, associated companies with or without common directors, other companies with common directors, key management personnel, directors and their close family members. 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:

	Nine months period ended	
	31 March 2014	31 March 2013
	(Rupees in '000)	
Associated undertakings		
Berger Paints Pakistan Limited		
Purchases	79,310	74,658
Toll manufacturing expenses incurred	5,875	4,196
Royalty income	639	452
Rent income	900	450
Due to Berger Paints Pakistan Limited.	42,059	37,794
M.S. Orchid (Private) Limited		
Advance from Related Party	40,000	40,000
Service Charges	4,236	4,011
Due to M.S.Orchid (Private) Limited	9,926	4,011
National Bank of Pakistan - bank deposit	281	8
Remuneration of key management personnel	1,259	1,079
Buxly Paints Limited Provident Fund		
Company's contribution	133	139

17. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue in the Board of Directors meeting held on April 26, 2014.

18. GENERAL

- 18.1 Figures have been rounded off to the nearest thousand rupees.
18.2 Previous year figures have been re-arranged wherever necessary for the purpose of comparison.

Chief Executive

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.