

CHAIRMAN'S REVIEW

It is my pleasure to submit this review report to the stakeholders of Buxly Paints Pakistan Limited (the "Company") on the overall performance of the Board of Directors and its effectiveness in achieving the Company's objectives.

In building an effective governance, risk management and control environment, the Board has implemented a transparent and robust system of adhering to best corporate governance practices and promoting ethical and fair behavior throughout the company, which has been reinforced in the organization's culture and values through appropriate dissemination of the Code of Conduct.

The Board of Directors has its two sub-committees:

1. Audit Committee
2. Human Resources Committee

These committees assisted the Board of Directors in the effective performance of its duties. These sub-committees met and reported to the Board as set out in the Code of Corporate Governance 2019.


An annual evaluation of the Board was conducted in accordance with the Code of Corporate Governance to ensure that the overall performance of the Board was in line with the developed comprehensive criteria. During the year under review, the Board played an effective role in managing the affairs of the Company, with successful operational and satisfactory financial results.

The Board of Directors has developed a mechanism to regularly evaluate the Company's objectives, strategies and business and financial performance by cooperating with management, internal auditors and other independent consultants in a timely manner and providing appropriate guidance.

Management is responsible for executing day-to-day business activities and turning the board's strategies into action. Especially in an unprecedented situation of political instability, management under the supervision of the board ensured business continuity while maintaining the safety and well-being of employees and other stakeholders.

The Board of Directors will continue to play a critical role in setting the direction of the Company, supporting its success and performance, and guiding management to conduct operations in accordance with the strategies approved by the Board of Directors while adhering to the principles of good corporate governance.

On behalf of Buxly, I would like to acknowledge the contribution of management, all our employees, creditors, our vendors and our valued shareholders for their trust, continued support and commitment to the company.


Mr. Bashir Ahmad
Chairman

September 24, 2022

DIRECTORS' REPORT

The Directors of your company submit the Annual Report of the Company along with the Audited Accounts and the Auditors' Report thereon for the year ended June 30, 2022. Financial Results are as follows:

Financial Results:	2022
	(Rs.000's)
Profit before taxation	10,676
Taxation	(6,464)
Profit after taxation	4,212
Profit per share	Rs. 2.93

MACROECONOMIC REVIEW

The commodity price shock from the Russia-Ukraine conflict exacerbated the cost of living for millions of people. Inflation in most of the leading economies stood higher than expected.

The COVID related restrictions in China and subsequent supply bottlenecks are crimping the world's patchy pandemic recovery. The outlook remains extremely uncertain. Further disruption in the natural gas supply to Europe could plunge many economies into recession and trigger a global energy crisis. The outlook for the global economy has "darkened significantly" and the world faces an increasing risk of recession in the next 12 months.

Pakistan's economy is also witnessing high inflation and external sector pressure especially on exchange rate.

BUSINESS PERFORMANCE REVIEW

Despite intense competition your company has achieved sales value of Rs. 516.47 million as against Rs. 354.58 million of last year which is 46% more than the last year. Gross profit achieved in 2022 amounts to Rs. 67.86 million as compared to Rs. 57.94 million for the year 2021. Increase in input costs adversely affected the performance of your company. Strict cost control measures, selling, marketing and Administrative expenses stood Rs. 54.60 million compared with 45.62 million of the last year resultantly the company reported after tax profit Rs. 4,212 million.

BUXLY PAINTS LIMITED

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LAHORE : The Annexe, 36 Industrial Estate; Kotlukh Pat, Lahore-Pakistan Ph: 042-38101017 Fax : 042-35151549 E-mail: info@buxly.com

ISLAMABAD : The Annexe, Plot No. 201, Street No. 1, Sector 1-10/3, Industrial Area Islamabad. Ph : 051-4440803 Fax : 051-440803 E-mail: buxlyrwp@buxly.com

OUTLOOK FOR THE YEAR 2023

While given economic challenges will likely to play their part in the next year as well, Government is taking all possible measures to counter these pressures for sustainable growth. Devastating floods in Pakistan, however, will impact the overall economic landscape of Pakistan.

BOARD OF DIRECTORS

The Board of Directors currently comprises of a non-executive Chairman, Chief Executive Officer, three independent Directors and three non-executive Directors.

BOARD OF DIRECTORS' MEETINGS

During the year, 4 (four) meetings of the Board of Directors were held and attendance was as follows:

Name of Directors	Attendance
Mr. Bashir Ahmed	4
Mr. Shamshad Ali	4
Ms. Rubina Rizvi	3
Mr. Fakhru Arfin	2
Mr. Muhammad Hanif Idrees	4
Mr. Sheikh Asim Rafiq (NIT Nominee)	4
Mr. Major (R) Naseer Ahmed	4
Mr. Adnan Iqbal (CEO)	4

Leaves of absence was granted to the Directors who were unable to attend the meetings.

AUDIT COMMITTEE

During the year, four meetings of Audit Committee were held.

HUMAN RESOURCE COMMITTEE

During the year, one meeting of Human Resource Committee was held.

PATTERN OF SHAREHOLDING

A statement showing the pattern of shareholding is provided hereafter.

EARNING PER SHARE

Earnings Per share is Rs. 2.93 [2021: Rs. 1.92]

AUDITORS

The present auditors, M/s Rehman Rahim Iqbal Rafiq, Chartered Accountants will retire at the conclusion of the upcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Board has approved & recommended the appointment of M/s Rehman Rahim Iqbal Rafiq, Chartered Accountants to the shareholders as auditors of the Company for the year ended 2022-23.

REASONS FOR NON DECLARATION OF DIVIDEND

As Company is facing Working capital constrains, the Directors did not recommend any dividend for the year ended June 30, 2022.

HEALTH, SAFETY & ENVIRONMENT

Company being customer-focused is committed to ensure safer and environment-friendly operations, products and services. Your company is certified in ISO-9001-2015. Your company is also working to promote a quality conscious and safe working environment. Training sessions are conducted for employees to enhance the security awareness.

PRINCIPAL RISKS AND UNCERTAINTIES

The company is exposed to certain inherent risks and uncertainties includes; operational, market, compliance and financial risk. The company works with internal and external stakeholders to mitigate/reduce to acceptable level the likely impacts of aforesaid risks.

INTERNAL FINANCIAL CONTROLS

The directors are aware of their responsibility with respect to internal financial controls. Through discussion with Management and auditors (both internal and external), they confirm that adequate controls have been implemented by the company.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The statement of compliance with the code of corporate governance is annexed with the report.

MATERIAL CHANGES

There have been no material changes since June 30, 2022 to date of the report and company has not entered into any commitment during the period, which would have adverse impact on the financial position of the company.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

As required under the Code of Corporate Governance incorporated in the Listing Rules of Stock Exchanges in the country, the Directors are pleased to state as follows:

- (i) The financial statements together with the notes thereon have been drawn up to the conformity with the Companies Act, 2017. These Statements prepared by the management of the company present fairly its state of affairs, the result of its operations, cash flow and changes in equity.
- (ii) Proper books of accounts of the Company have been maintained.
- (iii) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates and are based on reasonable and prudent judgment.
- (iv) International financial reporting standards as applicable in Pakistan, have been followed in preparation of financial statements.
- (v) The system of internal control is satisfactory and has been effectively implemented.
- (vi) Information about taxes and levies is given in the notes to and forming part of financial statements.
- (vii) There are no significant doubts upon the Company's ability to continue as a going concern.
- (viii) There has been no material departure from the best practices of corporate governance, as detailed in the Listing Regulations except for those highlighted by the auditors in their report. The management continues endeavoring to make your company fully compliant with these regulations.
- ix) The key operating and financial data of last six years is provided hereafter.
- (x) Value of investment of employees' provident fund as on June 30, 2022 is Rs.6.188 million (2021: Rs.5.475 million)



Chief Executive Officer



Director

Karachi: September 24, 2022

BUXLY PAINTS LIMITED.

Financial Statements For The
Year Ended 30 June 2022



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Buxly Paints Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

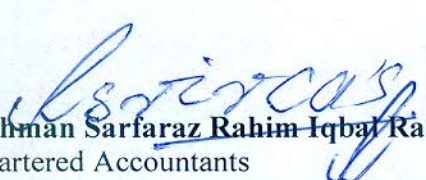
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Buxly Paints Limited for the year ended 30 June 2022 in accordance with the requirements of Regulation No. 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2022.


Rahman Sarfaraz Rahim Iqbal Rafiq,
Chartered Accountants
Engagement Partner: Rashid Rahman Mir
Lahore

24 SEP 2022

UDIN: CR202210146KNr36tYQP



INDEPENDENT AUDITORS' REPORT

To the members of Buxly Paints Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Buxly Paints Limited (the Company), which comprise the statement of financial position as at June 30, 2022, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2022 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Buxly Paints Limited-30 June 2022

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Following are the Key audit matters:

S. No.	Key audit matters	How the matter was addressed in our audit
(i)	Valuation of Trade Debts The Company has a significant balance of trade debts amounting to Rs 158.846 million. Provision against doubtful trade debts is based on loss allowance for Expected Credit Loss (ECLs) as disclosed in note 10 with related policies in 3.5 & 3.12. We identified recoverability of trade debts as a key audit matter as it involves significant judgment in determining the recoverable amount of trade debts.	Our audit procedures to assess the valuation of trade debts, amongst others, included the following: <ul style="list-style-type: none"> • Obtain understanding of procedures and system of the Company for recording and accounting such type of financial assets; • obtaining an understanding of the basis for the determination of provision required at the year end and the receivables collection process; and • checking the accuracy of the data on test basis extracted from the Company's accounting system which has been used to calculate the provision required including subsequent recoveries.
(ii)	Inventory existence and valuation As at the year end, the Company held inventories amounting to Rs. 99.878 million, after considering allowance for inventories obsolescence amounting to Rs. 4.757 million, as disclosed in note 9 with related policies in note 3.6 to the accompanying financial statements. The inventories obsolescence is calculated by taking into account the NRV of related inventories while mainly keeping in view the estimated selling price, forecasted inventories usage, forecasted sale volumes and product expiry dates. We have considered this area to be a key audit matter due to its materiality and significance in terms of judgments involved in estimating the NRV of underlying inventories.	<ul style="list-style-type: none"> • Our audit procedures included, amongst others, reviewing the management procedures for evaluating the NRV of inventories, observing physical inventory counts at major locations to ascertain the condition and existence of inventories, and performing testing on a sample of items to assess the NRV of the inventories held and evaluating the adequacy of provision for slow moving and obsolete inventories as at the year end. • Further, our audit procedures included, amongst others, understanding and evaluating the appropriateness of the basis of identification of the obsolete inventories; evaluating the historical accuracy of allowance of inventories assessed by management by comparing the actual loss to historical allowance recognized, on a sample basis; testing the accuracy of the aging analysis of inventories, on a sample basis; testing

		<p>cost of goods with underlying invoices and expenses incurred in accordance with inventory valuation method.</p> <ul style="list-style-type: none"> • We further tested the NRV of the inventories held by performing a review of sales close to and subsequent to the year- end and compared with the cost for a sample of products.
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Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

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


Rahman Sarfraz ~~Rahim Iqbal Rafiq~~
Chartered Accountants
Lahore: 24 SEP 2022
UDIN: AR202210146QHPVhJBmM

Buxly Paints Limited
Statement of Financial Position
As at 30 June 2022

ASSETS

Non-current assets

	Note	2022	2021
		(Rupees in '000)	
Property and equipment	4	133,284	131,596
Investment properties	5	3,852	4,022
Long term loans and advances	6	4,257	1,360
Long term receivable	7	8,100	6,300
Long term security deposits		361	141
Deferred taxation	8	-	-
		<u>149,854</u>	<u>143,419</u>

Current assets

Stock-in-trade	9	99,878	100,908
Trade debts	10	158,846	116,453
Advances and deposits	11	12,403	10,926
Prepayments and other receivables	12	473	1,749
Term deposit receipts / account	13	150	150
Markup receivable		4	12
Current portion of long term loans and advances	6	549	243
Taxation - net		3,112	5,983
Cash and bank balances	14	29,717	20,034
		<u>305,132</u>	<u>256,458</u>
		<u>454,986</u>	<u>399,877</u>

Total assets

EQUITY AND LIABILITIES

Share capital and reserves

Authorised capital		50,000	50,000
5,000,000 (2021: 5,000,000) Ordinary shares of Rs.10 each			
Issued, subscribed and paid-up capital	15	14,400	14,400
Capital reserves			
Surplus on revaluation of property	16	130,352	130,352
Revenue reserves			
General reserve		5,993	5,993
Accumulated loss		(11,662)	(15,874)
		<u>139,083</u>	<u>134,871</u>

Non-current liabilities

Long term finance	17	-	1,046
Lease liability	18	1,309	-
		<u>1,309</u>	<u>1,046</u>

Current liabilities

Markup accrued		1,363	1,040
Current portion of long term finance	17	1,046	2,092
Current portion of lease liability	18	315	-
Unpaid dividend		217	217
Unclaimed dividend		102	102
Short term borrowing	19	44,456	73,886
Trade and other payables	20	267,095	186,623
		<u>314,594</u>	<u>263,960</u>

Contingencies and commitments

	21	-	-
		<u>454,986</u>	<u>399,877</u>

Total equity and liabilities

The annexed notes 1 to 39 form an integral part of these financial statements.


Chief Executive Officer


Director


Chief Financial Officer



Buxly Paints Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2022

Sales
Cost of sales
Gross profit
Distribution and selling expenses
Administrative expenses
Other income
Finance cost
Other charges
Profit before tax
Taxation
Profit for the year

Other comprehensive income-Net of tax

Items that will be reclassified to profit or loss
Items that will never be reclassified to profit or loss:
Revaluation surplus recognised during the year
Adjustment of surplus pertaining to property transferred to investment property

Total comprehensive income

Earning per share - basic and diluted

The annexed notes 1 to 39 form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

Note	2022	2021
	(Rupees in '000)	
22	516,473	354,573
23	(448,792)	(296,629)
	67,681	57,944
24	(41,479)	(30,907)
25	(13,126)	(14,716)
	(54,605)	(45,623)
	13,076	12,321
26	3,622	4,118
	16,698	16,439
27	(5,231)	(7,756)
28	(791)	(599)
	(6,022)	(8,355)
	10,676	8,084
29	(6,464)	(5,319)
	4,212	2,765
16	-	-
	-	-
	-	-
	4,212	2,765
	(Rupees)	
30	2.93	1.92



Buxly Paints Limited
Statement of Changes in Equity
For the year ended 30 June 2022

	<u>Capital reserve</u>		<u>Revenue reserves</u>		
	Issued subscribed and paid-up capital	Surplus on revaluation of property	General reserve	Accumulated loss	Total
	<hr/> (Rupees in '000) <hr/>				
Balance as at 01 July 2020	14,400	130,352	5,993	(18,639)	132,106
Total comprehensive income 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 year	-	-	-	4,212	4,212
Balance as at 30 June 2022	14,400	130,352	5,993	(11,662)	139,083

The annexed notes 1 to 39 form an integral part of these financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer



Buxly Paints Limited
Statement of Cash Flows
For the year ended 30 June 2022

Cash flows from operating activities

Profit before tax
Adjustments for:
Depreciation
Finance cost
Markup on term deposit receipts
Provision for doubtful debts
Rental income

(Increase) / decrease in current assets

Stock-in-trade
Trade debts
Advances and deposits
Prepayments and other receivables

(Decrease) / increase in current liabilities

Trade and other payables
Net cash generated from / (used in) operations

Income tax paid
Finance cost paid
Net cash generated from / (used in) operating activities

Cash flows from investing activities

Additions to property and equipment
Mark up received on term deposit receipts
Long term security deposits
Long term loans and advances
Net cash (used in) / generated from investing activities

Cash flows from financing activities

Long term finance
Payment of lease liability
Short term borrowing

Net cash (used in) / generated from financing activities
Net increase in cash and cash equivalents during the year

Cash and cash equivalents at the beginning of the year
Cash and cash equivalents at the end of the year

Note	2022	2021
	(Rupees in '000)	
	10,676	8,084
	557	257
	5,231	7,756
	(10)	(13)
	1,442	3,675
	(1,800)	(1,800)
	16,096	17,959
	1,030	(28,665)
	(43,835)	(40,884)
	(1,477)	(708)
	1,276	(1,136)
	(43,006)	(71,393)
	80,471	43,380
	53,561	(10,054)
	(3,593)	(3,111)
	(4,762)	(7,941)
	45,206	(21,106)
	(96)	(120)
	18	12
	(220)	-
	(3,203)	1,094
	(3,501)	986
	(2,092)	1,291
	(500)	-
	(29,430)	28,004
	(32,022)	29,295
	9,683	9,175
	20,034	10,859
14	29,717	20,034

The annexed notes 1 to 39 form an integral part of these financial statements.


Chief Executive Officer


Director


Chief Financial Officer



1. NATURE AND STATUS OF THE COMPANY

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 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 arrangements, 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.

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. Lahore Office	Lahore	The Annexe, 36-Industrial Estate, Kot lakhpat, Lahore
c. Islamabad	Islamabad	The Annexe, Plot No. 201, Street No. I, Sector I-10/3, Industrial Area, Islamabad

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the "historical cost convention" except for financial instruments and land which are recognized at fair value. The financial statements except for cash flow information have been prepared under accrual basis of accounting.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is also the Company's functional currency. All figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

2.4 Reclassification and rearrangements

Corresponding figures have been reclassified and rearranged, wherever necessary, to reflect more appropriate presentation of events and transactions for the purpose of comparison. Appropriate disclosures are given in relevant notes in case of material reclassifications and rearrangements.

2.5 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by the management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material adjustment relates to :

- Estimated useful lives of property and equipment and measurement of revalued amounts (notes 3.1, 3.2 and 4)



- Recognition of taxation and deferred taxation (notes 3.9 , 8 and 29)
- Provisions and contingencies (note 3.11 and note 21)
- Classification of investment properties (notes 3.3 and 5)
- Provision against trade debts and other receivables (notes 3.5, 10.1 and 12)
- Impairment (note 3.18)
- Stock-in-trade (notes 3.6 and 9)

2.6 Initial application of a standard, amendment or an interpretation to an existing standard and forthcoming requirements

a) Standards and interpretations that have become effective but are not relevant to the Company:

The following standards (revised or amended) and interpretations became effective for the current financial year but are either not relevant or do not have any material effect on the financial statements of the company other than increased disclosures in certain cases:

- IFRS 9 - Financial Instruments (Amendment regarding interest rate benchmark reform-Phase-2).
- IAS 39 - Financial Instruments: Recognition and Measurement - (Amendment regarding interest rate benchmark reform-Phase-2).
- IFRS 7 - Financial Instruments: Disclosures - (Amendment regarding interest rate benchmark reform-Phase-2).
- IFRS 16 Leases- (Amendment regarding interest rate benchmark reform-Phase-2).
- IFRS-16 Leases- (Amendment to Covid-19 related rent concession beyond 30 June 2021).

b) Forthcoming requirements not effective in current year and not considered relevant:

The following standards (revised or amended) and interpretations of approved accounting standards are only effective for accounting periods beginning from the dates specified below. These standards are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than increased disclosures in certain cases:

- IFRS 3 - Business Combinations - (Amendments updating a reference to the Conceptual Framework)-(applicable for annual periods beginning on or after 1 January 2022)
- IFRS 9 - Financial Instruments - (Amendments to 10 percent test for derecognition of financial liabilities in fee)-(applicable for annual periods beginning on or after 1 January 2022).
- IFRS 10/ IAS 28 - Consolidated Financial Statements and Investment in Associates - (Amendment regarding the sale or contribution of assets between an investor and its associate or joint venture) - (Application date not yet finalized).
- IAS 16- Property, Plant and Equipment - (Amendments regarding proceeds before intended use) - (applicable for annual periods beginning on or after 1 January 2022).
- IAS 1- Presentation of Financial Statements - (Amendment regarding classification of liabilities as current and non-current)-(Effective for annual periods beginning on or after 1 January 2023).
- IAS 1- Presentation of Financial Statements - (Amendments regarding the disclosure of accounting policies)- (Effective for annual periods beginning on or after 1 January 2023).
- IAS 8- Accounting Policies, Changes in Accounting Estimates and Errors - (Amendments regarding the definition of accounting estimates)- (Effective for annual periods beginning on or after 1 January 2023).
- IAS 12- Income Taxes - (Amendments regarding deferred tax related to assets and liabilities arising from single transaction)- (effective for annual periods beginning on or after 1 January 2023).
- IAS 16- Property, Plant and Equipment - (Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use)- (effective for annual periods beginning on or after 1 January 2022).
- IAS 37- Provisions, Contingent Liabilities and Contingent Assets - (Amendments regarding the costs to include when assessing whether a contract is onerous)-(effective for annual periods beginning on or after 1 January 2022).
- IAS 41 - Agriculture - (Amendment regarding taxation in fair value measurement) - (effective for annual periods beginning on or after 1 January 2023).

c) Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies as set below have been applied consistently to all periods presented in these financial statements.



3.1 Property and equipment

Owned

Property and equipment, except land, are measured at cost less accumulated depreciation and any impairment loss, if any. Land is stated at fair value. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation on all property and equipment except land is charged on the reducing balance method at the rates specified in note 4.

Depreciation methods, useful lives and residual values of each part of property and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each statement of financial position date.

Depreciation on additions to property and equipment is charged from the month the asset is available for use while no depreciation is charged from the month the asset is disposed off.

The Company assesses at each statement of financial position date whether there is any indication that property and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount.

Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in income currently. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to the statement of profit and loss during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

3.2 Leases

Finance leases

Leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. At inception, finance leases are capitalized at the lower of present value of minimum lease payments under the lease agreements or the fair value of the asset.

Minimum lease payments made under finance leases are apportioned between the finance cost and the reduction of the outstanding liability. The finance cost is allocated to each period during the lease term so as to produce a constant periodic rate of interest.

Assets acquired under a finance lease are depreciated over the estimated useful life of the assets on reducing balance method at the rates mentioned in note 4.

Depreciation methods, useful lives and residual values of asset that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each statement of financial position date.

Depreciation on additions to leased assets is charged from the month the asset is available for use while no depreciation is charged from the month the asset is disposed off.

3.3 Investment properties

Investment properties are accounted for under cost model and are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation on office building is charged to the statement of profit and loss by applying the reducing balance method at the rate of 5% per annum after taking into account residual value, if any. Depreciation on addition is charged from the month the asset is available for use while no depreciation is charged from the month the asset is disposed off. Depreciation methods, useful lives and residual values of each part of investment property that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each statement of financial position date. Depreciation of leasehold land is suspended since financial year ended 30 June 2012 in accordance with the revised requirements of IAS 17.

Gains or losses on sale of investment properties are charged to the statement profit and loss in the period in which they arise.

3.4 Staff retirement benefits

Defined contribution plan

The Company operates a provident fund scheme for its employees. Equal monthly contributions are made, both by the Company and the employees to the fund at the rate of 8.33% of basic salary.

Compensated absences

The Company had been accounting for all accumulated compensated absences, when employees render services that increase



their entitlement to future compensated absences. Accrual was made for employees compensated absences on the basis of last drawn pay. However, the policy has been discontinued.

3.5 Trade debts

These are initially recognised when these are originated and measured at fair value of consideration receivable and subsequently measured at amortized cost. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

3.6 Stock-in-trade

Stock of raw and packing materials, except for those in transit, work-in-process and finished goods are valued principally at the lower of weighted average cost and net realizable value. Cost of work-in-process and finished goods comprises cost of direct materials, labor and appropriate manufacturing overheads.

Materials in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated costs necessary to be incurred in order to make a sale.

3.7 Revenue recognition

- Revenue from sale of goods is recognized when control of goods is transferred to customers.
- Royalty and rent income is recognized on an accrual basis in accordance with the substance of the relevant agreement.
- Interest income on bank deposits is recognized on time proportion basis using the effective interest method.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term borrowings that are repayable on demand and form an integral part of the Company's cash management and are included as a component of cash and cash equivalents for the purpose of the cash flow statement.

3.9 Taxation

Current

Provision for current taxation is based on taxable income at the current tax rates after taking into account tax rebates and tax credits available, if any.

Deferred

Deferred taxation is provided, using the balance sheet method, in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax base.

The amount of deferred tax recognized is based on expected manner of realization or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantively enacted at the statement of financial position date.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unused tax assets and unused tax losses can be utilized.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3.10 Borrowings

Interest bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, these are stated at amortized cost with any difference between cost and redemption value being recognized in the profit and loss account over the period of the borrowings on an effective interest basis.

3.11 Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate.

3.12 Financial instruments

3.12.1 Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss, fair value through other comprehensive income and amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. All the financial assets of the Company as at the statement of financial position date are carried at amortized cost.

Amortized Cost

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at fair value through profit or loss:



- a) it is held with in a business model whose objective is to hold assets to collect contractual cash flows; and
- b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment

The Company recognizes loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowance at an amount equal to lifetime ECLs.

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

3.12.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

Recognition and measurement

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. The particular measurement methods adopted are disclosed in the individual policy statements associated with each item.

Derecognition

The financial assets are derecognized when the Company loses control of the contractual rights that comprise the financial assets. The financial liabilities are derecognized when they are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired.

3.13 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position when the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle liabilities simultaneously.

3.14 Trade and other payables

Financial liabilities are initially recognized at fair value plus directly attributable cost, if any, and subsequently at amortized cost using effective interest rate method.

Other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

3.15 Foreign currencies

All monetary assets and liabilities in foreign currencies are translated into rupees at exchange rates prevailing at the statement of financial position date. Transactions in foreign currencies are translated into rupees at exchange rates prevailing at the date of transaction. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into rupees at exchange rates prevailing at the date of transaction.

3.16 Dividend

Dividend distribution to the Company's shareholders is recognized as a liability in the period in which the dividends are approved.

3.17 Earnings per share

The Company presents basic and diluted earnings per shares (EPS) data. Basic EPS is calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

3.18 Impairment

The carrying amounts of the Company's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment loss. If any such indication exists, the assets recoverable amount is estimated and if the carrying amount of the asset is in excess of its recoverable amount, impairment loss is recognised as an expense to the extent carrying amount exceed the recoverable amount.



4. PROPERTY AND EQUIPMENT

2022									
Cost				Depreciation					Written down value as at 30 June 2022
As at 01 July 2021	Additions	(Disposals) / (Transfer)	As at 30 June 2022	Rate	As at 01 July 2021	Charge for the year	Reversal	As at 30 June 2022	
(Rupees in '000)				%	2021	year		2022	
Owned									
Leasehold land - Cost	836	-	836		-	-	-	-	836
- Revaluation	130,352	-	130,352		-	-	-	-	130,352
	131,188	-	131,188		-	-	-	-	131,188
Furniture and fixtures	586	-	586	10	452	13	-	465	121
Vehicles	410	-	410	20	396	3	-	399	11
Office equipments	378	-	378	10	244	13	-	257	121
Computers	1,169	35	1,204	33	1,043	52	-	1,095	109
	133,731	35	133,766		2,135	81	-	2,216	131,550
Leased									
Vehicles	-	2,040	2,040	20	-	306	-	306	1,734
	-	2,040	2,040		-	306	-	306	1,734
	133,731	2,075	135,806		2,135	387	-	2,522	133,284
2021									
Cost				Accumulated depreciation					Written down value
As at 01 July 2020	Additions	(Disposals)	As at 30 June 2021	Rate	As at 01 July 2020	Charge for the year	(Reversal)/ transfers	As at 30 June 2021	as at 30 June 2021
(Rupees in '000)				%	(Rupees in '000)				
Owned									
Leasehold land - Cost	836	-	836		-	-	-	-	836
- Revaluation	130,352	-	130,352		-	-	-	-	130,352
	131,188	-	131,188		-	-	-	-	131,188
Furniture and fixtures	586	-	586	10	437	15	-	452	134
Vehicles	410	-	410	20	392	4	-	396	14
Office equipments	329	49	378	10	233	11	-	244	134
Computers	1,098	71	1,169	33	995	48	-	1,043	126
	133,611	120	133,731		2,057	78	-	2,135	131,596

4.1. Depreciation for the year has been allocated as follows:

	2022	2021
	(Rupees in '000)	
Distribution and selling expenses	24	77
Administrative expenses	25	310
		62
		387
		78

4.2. Fair value of land has been determined by M/s Harvester Services (Private) Limited on 30 June 2018 after enquiring market rates of similar sized plots in near vicinity from the real estate agents and keeping in view the location, size and availability of the leasehold land. The Board of Directors of the Company (the Board) concurred to this valuation. Forced sale value as per the revaluation report is Rs. 111.510 million. Fair value has been assessed under 'fair value hierarchy: level 3'. The land is situated at Manghopir Road, S.I.T.E, Karachi having area of 27,780.6 square feet.

4.3. Had the asset not revalued, the net book value of freehold land would have amounted to Rs. 0.836 million (2021: 0.836 million)



5. INVESTMENT PROPERTIES

	2022							
	Cost				Depreciation			Written down
	As at	Transfer	As at		As at	Charge	As at	value as at
	01 July		30 June	Rate	01 July	for the	30 June	30 June
	2021		2022	%	2021	year	2022	2022
	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Leaschold land	700	-	700	-	87	-	87	613
Office building	5,408	-	5,408	5	1,999	170	2,169	3,239
	6,108	-	6,108		2,086	170	2,256	3,852
	2021							
	Cost				Depreciation			Written down
	As at	Transfer	As at		As at	Charge	As at	value as at
	01 July		30 June	Rate	01 July	for the	30 June	30 June
	2020		2021	%	2020	year	2021	2021
	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Leasehold land	700	-	700	-	87	-	87	613
Office building	5,408	-	5,408	5	1,820	179	1,999	3,409
	6,108	-	6,108		1,907	179	2,086	4,022

5.1 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 would have been 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 near 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 feet. 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 feet.

The fair value of the property has been assessed under 'fair value hierarchy: level 3'.

5.2 Depreciation for the year has been allocated as follows:
Distribution and selling expenses
Administrative expenses

	2022	2021
	(Rupees in '000)	
24	34	36
25	136	143
	<u>170</u>	<u>179</u>

6. LONG TERM LOANS AND ADVANCES - Secured and considered good

Employee loans
Receivable within one year

6.1	4,806	1,603
	(549)	(243)
	<u>4,257</u>	<u>1,360</u>

6.1 This represents interest free loan to employees for the purpose of purchase of motor vehicles. These loans are secured against these motor vehicles and recoverable in 96 equal monthly instalments. These loans have not been discounted to their present values as the financial impact is not material.



2022	2021
(Rupees in '000)	

7. LONG TERM RECEIVABLE

8,100	6,300
--------------	--------------

The Company under operating lease arrangements has leased out portion of its land to an associated company as disclosed in note 21.5. Rent has been provided since 1st January 2018 at the rate of Rs 150,000/- per month being the fair market value of rent for such land. This amount would be available for adjustment against the value of building when handed over to the Company after expiry of lease term on 31 December 2027.

- 7.1 At 30 June 2022, the maturity analysis of contractual undiscounted cashflows under non-cancellable lease was receivable as follows:

Less than one year	1,800	1,800
Between one and five years	7,200	7,200
More than five years	900	2,700
	9,900	11,700

8. DEFERRED TAXATION

The Company has not recognised deferred tax assets of Rs. 6.761 million (2021:11.233 million) in respect of temporary difference amounting to Rs. 23.314 million (2021: 38.784 million) as per policy given in note 3.9.

9. STOCK-IN-TRADE

Packing material	3,973	3,099
Work-in-process	3,793	3,802
Finished goods	96,869	98,764
	104,635	105,665

Provision against slow moving stocks:
- Finished goods

9.1	(4,757)	(4,757)
	99,878	100,908

- 9.1 Particulars of provision are as follows:

Opening balance	4,757	4,757
Charge for the year	-	-
Closing balance	4,757	4,757

10. TRADE DEBTS - unsecured

Considered good	158,846	116,453
Considered doubtful	18,298	16,856
	177,144	133,309

Impairment of trade debts under expected credit loss

10.1	(18,298)	(16,856)
	158,846	116,453

10.1 Impairment of trade debts under expected credit loss

Opening balance	16,856	13,181
Charge/ (Reversal) for the year	1,442	3,675
Closing balance	18,298	16,856



		2022	2021
		(Rupees in '000)	
11. ADVANCES AND DEPOSITS			
Advances - unsecured and considered good			
Employees		245	434
Advance to supplier		-	550
Deposits			
Margin against letters of guarantee		4,159	4,146
Earnest money and tender deposits		10,231	8,028
		14,390	12,174
Provision against expired letter of guarantee, earnest money and security deposits	11.1	(2,232)	(2,232)
		12,403	10,926
11.1 Particulars of provision are as follows:			
Opening balance		2,232	2,232
Charge for the year		-	-
Closing balance		2,232	2,232
12. PREPAYMENTS AND OTHER RECEIVABLES			
Prepayments		473	358
Receiveable from employees' provident fund		-	1,391
		473	1,749
13. TERM DEPOSIT RECEIPTS / ACCOUNT			
Held to maturity		150	150
These short term deposits carrying markup from 6.35% to 6.55% (2021: 6.1% to 12.2%) per annum and have maturities within one year. The term deposits are under lien against letter of guarantees issued by the			
14. CASH AND BANK BALANCES			
In hand		59	59
At banks - in current accounts		29,658	19,975
		29,717	20,034
15. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
2022	2021		
(Number of shares)			
1,257,288	1,257,288	Ordinary shares of Rs.10 each fully paid in cash	12,573 12,573
82,712	82,712	Ordinary shares of Rs.10 each fully paid for consideration other than cash	827 827
100,000	100,000	Ordinary shares of Rs.10 each issued as fully paid bonus shares	1,000 1,000
1,440,000	1,440,000		14,400 14,400

Issued, subscribed and paid-up capital at the year end included 816,090 (2021: 816,090) ordinary shares of Rs. 10 each, held by directors and associated undertakings.

All the shares are similar with respect to their rights on voting board selection, first refusal and block voting.



2022	2021
(Rupees in '000)	

16. SURPLUS ON REVALUATION OF PROPERTY

130,352 130,352

- 16.1 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 30 June 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 on revaluation of property has been shown as part of equity. Previously such revaluation was carried out in July 2013 by another independent valuer M/s Iqbal A. Nanjee and Co. (Private) Limited.

Movement in the surplus during the year was as follows:

Balance at the beginning of the year
Add: Surplus recognized during the year
Balance at the end of the year

130,352	130,352
-	-
130,352	130,352

17. LONG TERM FINANCE

-secured

Opening balance
Obtained during the year

Paid during the year
Closing balance
Less: Current portion

3,138	1,847
-	2,337
3,138	4,184
(2,092)	(1,046)
1,046	3,138
(1,046)	2,092
-	1,046

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, contractually, 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.

18. LEASE LIABILITY

Balance at the beginning of the year
Addition during the year
Interest accrued on lease liability
Payments during the year
Balance at the end of the year
Less: Current portion

27

-	-
1,978	-
146	-
(500)	-
1,624	-
(315)	-
1,309	-

The reconciliation between gross minimum lease payments, future financial charges and present value of minimum lease payments is as under:

Present value of minimum lease payments	Future finance cost	Minimum lease payments
559	(244)	315
1,678	(369)	1,309
2,237	(613)	1,624
-	-	-
-	-	-
-	-	-



The lease finance has been obtained from financial institutions. The obligation represents the present value of minimum lease payments discounted at the rate of 3 months KIBOR + 1% and are payable in equal quarterly installments.

Purchase options are available to the Company after payments of last installment and on surrender of deposit at the end of lease period. The Company intends to exercise its option to purchase leased assets at its salvage value upon completion of respective leased period. The cost of operating and maintaining the leased assets is to be borne by the Company.

	2022	2021
	(Rupees in '000)	
19. SHORT TERM BORROWINGS - Secured	44,456	73,886

The Company has entered into an agreement with JS Bank Limited for short term running finance facility under markup 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 markup of 1 months KIBOR + 2%. Total limit available to the Company is amounting to Rs. 50 million (2021: Rs. 50 million).

20. TRADE AND OTHER PAYABLES

-unsecured

Trade creditors	20.1	258,832	180,933
Accrued expenses	20.2	533	548
		259,365	181,481
Other liabilities			
Contract liabilities		2,446	1,208
Workers' Profit Participation Fund	20.3	778	546
Sales tax payable		1,141	1,446
Payable to employees provident fund		470	-
Others	20.4	2,895	1,942
		7,730	5,142
		267,095	186,623

20.1 This includes payable to following associated undertaking:

Berger Paints Pakistan Limited

216,965 162,840

20.2 It includes payables on account of EOBI of Rs. 0.020 million (2021: 0.083 million).

20.3 Workers' Profit Participation Fund

Balance as at the beginning of the year	546	318
Charge/ Adjustments for the year	573	434
Paid during the year	(341)	(206)
Balance at the end of the year	778	546

20.4 It includes payables on account of WWF of Rs. 0.728 million (2021: 0.510 million), withholding income tax from employees of Rs. 0.021 million (2021: 0.155 million), withholding income tax from supplier of Rs. 0.787 million (2021: 0.191 million), payable to employee of Rs. 0.036 million (2021: Nil), payable to supplier of Rs. 0.237 million (2021: Nil) and other payables of Rs. 1.086 million (2021: 1.086 million).

21. CONTINGENCIES AND COMMITMENTS

Contingencies

21.1 The guarantees amounted to Rs. 5.089 million (2021: 4.146 million) given against supplies to Government departments against their orders, gas supply and in favour of Collector of Central Excise Department and Customs.



- 21.2 On 7 January 2013, the SITE authority served a notice on the Company for payment of dues in respect of 'Development, Water, Conservancy, Rent and Renewal of license fee' amounting to Rs.4.005 million, which includes an amount of Rs. 3.860 million relating to renewal of license fee. The Company, through its legal advisor, replied to the above notice stating the fact that the lease was executed / registered by SITE in the year 2006 in favour of the Company. Further, as per the rules and procedures of SITE, once the lease has been executed / registered, the renewal of license fee is no longer payable.

The Management of the Company is confident that the renewal of license fee will not be payable. Consequently, no provision has been recognised in the financial statements.

- 21.3 The Deputy Commissioner Inland Revenue has issued order under section 161 of Income Tax Ordinance, 2001 by levying impugned tax demand of Rs. 386,258 and Rs. 305,646 for tax year 2014 and 2015 respectively. Against such demands, the Company had filed the appeal with the Commissioner Inland Revenue Appeals who has passed the order dated July 06, 2018 in favor of the Company. However being aggrieved by the decision, the tax department has filed appeals in the Appellate Tribunal Inland Revenue (ATIR) against the order. The notice for hearing has yet to be issued by the ATIR. The management of the Company expects that on the basis of strong grounds the case will be decided in the favour of the Company.

Commitments:

- 21.4 The management has agreed upon an arrangement with Berger Paints Pakistan Limited (Berger) - an associated company for letting out a piece of its leasehold land. Under the arrangement Berger has constructed a facility for production and warehousing on the subject land, which will remain in use of Berger for a period of 10 years from the date of completion. On expiry of the tenure of agreement, the warehouse building will be transferred to Buxly Paints Limited free of cost as a consideration for utilizing the subject land for the said tenure. Refer Note 7.

22. SALES

Gross sales
Sales tax and excise duty

Commission and discounts

2022	2021
(Rupees in '000)	
660,788	449,322
(97,217)	(66,679)
<u>563,571</u>	<u>382,643</u>
(47,098)	(28,070)
<u>516,473</u>	<u>354,573</u>

23. COST OF SALES

Opening stock
Packing material

Purchases
Raw material
Packing material

Closing stock
Packing material
Material consumed

Manufacturing expenses
Toll manufacturing charges

Work-in-process
Opening stock
Closing stock

Cost of goods manufactured

Finished goods
Opening stock
Closing stock

3,099	1,142
354,508	272,706
60,442	25,516
<u>414,950</u>	<u>298,222</u>
418,049	299,364
(3,973)	(3,099)
<u>414,076</u>	<u>296,265</u>
32,812	27,072
<u>446,888</u>	<u>323,337</u>
3,802	3,060
(3,793)	(3,802)
9	(742)
<u>446,897</u>	<u>322,595</u>
98,764	72,798
(96,869)	(98,764)
<u>1,895</u>	<u>(25,966)</u>
<u>448,792</u>	<u>296,629</u>



24. DISTRIBUTION AND SELLING EXPENSES

2022	2021
(Rupees in '000)	

Salaries and other benefits	24.1	18,162	12,901
Insurance		607	374
Rent, rates and taxes		420	420
Carriage outward		9,997	9,653
Advertising and promotional expenses		5,375	2,413
Travelling and conveyance		5,733	3,682
Printing and stationery		145	534
Postage, telephone and fax		211	353
Repairs and maintenance		55	140
Depreciation	4.1 and 5.2	111	52
Entertainment and welfare		83	115
Fees and subscription		302	101
Sundry expenses		278	169
		41,479	30,907

24.1 Included herein a sum of Rs. 0.572 million (2021: 0.436 million) in respect of staff retirement benefits (Provident Fund).

25. ADMINISTRATIVE EXPENSES

Salaries and other benefits	25.1	6,934	5,903
Directors' fee		488	425
Insurance		159	118
Printing and stationery		101	27
Postage, telephone and fax		48	18
Travelling and conveyance		290	893
Service charges		600	600
Auditors' remuneration	25.2	513	465
Fees and subscription		15	50
Legal and professional fees		539	692
Repairs and maintenance		48	29
Depreciation	4.1 and 5.2	446	205
Entertainment and welfare		329	158
Utilities		607	665
Impairment loss for expected credit loss		1,442	3,675
Miscellaneous		567	792
		13,126	14,716

25.1 Included herein a sum of Rs. 0.233 million (2021: 0.138 million) in respect of staff retirement benefits and a sum of Rs. 3.338 million (2021: 2.122 million) in respect of remuneration of chief executive.

25.2 Auditors' remuneration

Statutory audit	303	275
Half yearly review	118	107
Other certifications	92	83
	513	465

26. OTHER INCOME

Financial asset

Markup on term deposit receipts	10	13
	10	13



		2022	2021
		(Rupees in '000)	
Non financial asset			
Royalty income	26.1	-	6
Misc. income (License fee)		12	499
Rental income	26.2	3,600	3,600
		3,612	4,105
		3,622	4,118
26.1 The Company has entered into a royalty agreement with Berger Paints Pakistan Limited, an associated undertaking, at the rate of 1 percent of net sales for the use of the Company's brand name.			
26.2 The Company has rented out portions of the land and building to Berger Paints Pakistan Limited.			
27. FINANCE COST			
Bank charges		240	362
Markup on short term borrowings		4,790	7,282
Markup on long term finance		55	112
Markup on lease liability		146	-
		5,231	7,756
28. OTHER CHARGES			
Workers' Profit Participation Fund		573	434
Workers Welfare Fund		218	165
		791	599
29. TAXATION			
For the year		6,456	5,319
Prior year		8	-
Deferred	8	-	-
		6,464	5,319
29.1 Current status of tax assessments			
The income tax assessments of the Company have been finalised upto and including the tax year 2021 (Income year ended 30 June 2021). The returns for income tax have been filed, according to section 120 of the Income Tax Ordinance 2001 which provides that return filed is deemed to be an assessment order. However, these returns (i.e. return for tax years 2017 to 2021) may be selected for detail audit within five years from the year end of the tax year in which the return has been filed and the Commissioner of Income Tax may amend the assessment in case of objection raised in audit.			
29.2 Reconciliation of accounting profit and tax expense			
Numerical reconciliation of accounting profit and tax expense has not been presented in these financial statements as the Company is chargeable to minimum tax under Section 113 of the Income Tax Ordinance, 2001.			
30. EARNINGS PER SHARE			
Basic earnings per share has been computed by dividing net profit for the year after taxation by the weighted average number of shares outstanding during the year. There is no dilutive effect on the basic earnings per share.			
Profit for the year after tax		4,212	2,765
		(Shares in '000)	
Weighted average number of shares outstanding during the year		1,440	1,440
		(Rupees)	
Earning per share		2.93	1.92



31. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	2022			2021		
	Chief executive	Executives	Directors	Chief executive	Executives	Directors
	(Rupees in '000)					
Directors' fee	-	-	488	-	-	425
Managerial remuneration	2,292	1,164	-	1,155	-	-
House rent allowance	572	524	-	620	-	-
Utilities	158	116	-	116	-	-
Conveyance	158	116	-	116	-	-
Medical allowance	158	-	-	116	-	-
	3,338	1,920	488	2,123	-	425
Number of persons	1	1	7	1	-	7

2022	2021
(In litres)	

32. PLANT CAPACITY AND PRODUCTION

Produced for the Company by a related party under toll manufacturing agreement	2,074,711	1,692,483
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33. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

Related parties comprises of associated undertakings, directors of the Company, major share holders and their close family members and key management personnel and employment retirement benefits plans. The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions at agreed rates. Further, contribution to defined contribution plan (provident fund) are made as per the terms of employment. Remuneration of directors and key management personnel is in accordance with their terms of engagements and disclosed in note 30. Balances due to/due from related parties are describe in note 7 and 20. Details of transactions with related parties are as follows:

	2022	2021
	(Rupees in '000)	
Associated undertakings		
Purchase during the year	354,508	272,706
Sale during the year	-	962
Rental expense and service charges	1,200	1,200
Toll manufacturing expenses incurred	32,812	27,072
Royalty income	-	6
Rental income	3,600	3,600
Common expenditures	14,862	15,515
License fee	12	12
Buxly Paints Limited Provident Fund		
Company's contribution	805	573
Payable to/ (Receivable from) Provident Fund	(470)	1,391

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

S. No	Name	Basis of Relationship	Aggregate % of
1	Berger Paints Pakistan Limited	Share Holding	19%
2	Mr. Adnan Iqbal	Chief Executive Officer	-
3	Mr. Naseer Ahmad	Director	-
4	Mr. Rubina Rizvi	Director	-
5	Mr. Muhammad Hanif	Director	-
6	Mr. Sheikh Asim Rafiq	Director	-
7	Mr. Shamshad Ali	Director	-
8	Mr. Bashir Ahmad	Director	0.03%
9	Mr. Fakharul Arfin	Director	-
10	Buxly Paints Limited Provident Fund	Common control	-



34. FINANCIAL INSTRUMENTS

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

Risk Management Framework

The objective of the Company's overall financial risk management is to minimize earnings volatility and provide maximum return to shareholders.

The Board has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

34.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral. Concentration of credit arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by the changes in economics, political or other conditions. Concentration of credit risk indicate the relative sensitivity of the Company's performance for developments affecting a particular industry.

Exposure to credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties fail to perform as contracted and arise principally from loans and advances, advances and deposits, trade debts and security deposits.

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties. The management has set a maximum credit period of 60 days to customers to reduce the credit risk.

The Company's policy is to enter into financial instrument contract by following internal guidelines such as approving counterparties and approving credits.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date is:



		2022	2021
		(Rupees in '000)	
	Classification		
Loans and advances	At amortised cost	4,806	1,603
Long term deposits	At amortised cost	361	141
Trade debts	At amortised cost	158,846	116,453
Markup receivable	At amortised cost	4	12
Other receivables	At amortised cost	-	1,391
Advances and deposits	At amortised cost	12,403	10,926
Term deposit receipts	At amortised cost	150	150
Bank balances	At amortised cost	29,658	19,975
		206,228	150,651

Credit quality

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and where available external credit ratings. The carrying values of trade debts which are neither past due nor impaired are given as below:

	2022		2021	
	Gross (Rupees in '000)	Impairment	Gross (Rupees in '000)	Impairment
Past due 0 - 30 days	83,059	-	60,406	-
Past due 31 - 60 days	10,287	31	12,892	11
Past due 61 - 180 days	65,500	161	41,064	2,445
More than 180 days	18,298	18,106	18,947	14,400
	177,144	18,298	133,309	16,856

The movement in provision for impairment of trade debts is given in note no. 10.1.

The credit quality of the Company's major banks is assessed with reference to external credit ratings which are as follows:

Bank	Rating Agency	Rating	
		Short term	Long term
National Bank of Pakistan	PACRA/VIS	A-1+	AAA
Habib Bank Limited	VIS	A-1+	AAA
JS Bank Limited	PACRA	A-1	AA-
MCB Islamic Bank Limited	PACRA	A-1	A
Bank AL Habib Limited	PACRA	A-1+	AAA
Habib Metropolitan Bank Limited	PACRA	A-1+	AA+

Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly effected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.



34.2 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

Exposure to liquidity risk

The Company is exposed to liquidity risk in respect of its financial liabilities. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

	2022				
	Carrying amount	Contractual cash flows	Three months or less	Three months to one year	More than one year
----- (Rupees in '000) -----					
Financial Liabilities at amortised cost					
Long term finance	1,046	(1,046)	-	(1,046)	-
Lease liability	1,624	(1,624)	-	(315)	(1,309)
Short term borrowing	44,456	(44,456)	(44,456)	-	-
Markup accrued	1,363	(1,363)	(1,363)	-	-
Trade and other payables	267,095	(267,095)	(264,200)	(2,895)	-
Unpaid dividend	217	(217)	-	(217)	-
Unclaimed dividend	102	(102)	-	(102)	-
	315,903	(315,903)	(310,019)	(4,575)	(1,309)

	2021				
	Carrying amount	Contractual cash flows	Three months or less	Three months to one year	More than one year
----- (Rupees in '000) -----					
Financial Liabilities at amortised cost					
Long term finance	3,138	(3,138)	-	(2,092)	(1,046)
Short term borrowing - secured	73,886	(73,886)	(73,886)	-	-
Markup Accrued	1,040	(1,040)	(1,040)	-	-
Trade and other payables	184,631	(184,631)	(184,631)	-	-
Unpaid dividend	217	(217)	-	(217)	-
Unclaimed dividend	102	(102)	-	(102)	-
	263,014	(263,014)	(259,557)	(2,411)	(1,046)

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company meets these requirements by financial assistance available from the associated company as and when the need arises.

The contractual cash flows relating to the above financial liabilities have been determined on the basis of applicable mark-up rates as at 30 June 2022, if any.

34.3 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

34.3.1 Currency risk

As the Company does not have foreign currency debtors or foreign currency bank accounts, imports or exports therefore there is no exposure of the Company to foreign currency risk.



34.3.2 Interest rate risk

At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

	Effective rate		Carrying amount	
	2022	2021	2022	2021
	(in percentage)		(Rupees in '000)	
Financial assets - Fixed rate instruments				
Term deposit receipts	6.35 to 6.55	6.1 to 12.2	150	150

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect the statement of profit or loss.

Cash flow sensitivity analysis for variable rate instruments

The Company does not account for any variable rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect the statement of profit or loss.

34.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk). The Company is not exposed to any price risk.

34.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the Board. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions; compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards;
- risk mitigation, including insurance where this is effective.

Senior management ensures that the Company's staff have adequate training and experience and fosters effective communication related to operational risk management.

34.5 Fair value of financial instruments

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The table below analyzes financial instruments carried at fair values, the different levels have been defined as follows:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).



35. **CAPITAL MANAGEMENT**

The objective of the Company when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its business.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to the shareholders or issue new shares.

36. **NUMBER OF EMPLOYEES**

The total number of employees as at year end are 26 which are all permanent employees (30 June 2021: 23) and average number of employees were 28 (30 June 2021: 22).

37. **PROVIDENT FUND DISCLOSURE**

The following information is based on the unaudited financial statements of the fund:

	2022	2021
	(Rupees in '000)	
	Un-Audited	Un-Audited
Size of the fund - total assets	6,188,210	5,475,256
Percentage of investments made	25%	28%
Fair value of investments	4,640,949	5,079,746
Cost of investments made (Un-audited)	1,547,261	1,548,150
The breakup of cost of investments is:		
	2022	2021
	% of fund Rupees	% of fund Rupees
Defence Saving Certificates	16% 1,000,000	18% 1,000,000
Mutual Fund	9% 547,261	10% 548,150
	25% 1,547,261	28% 1,548,150

The investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

38. **EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE**

There is no event causing adjustment or disclosure in the financial statements.

39. **DATE OF AUTHORISATION**

These financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on

12 4 SEP 2022


Chief Executive Officer


Director


Chief Financial Officer

