

BAWANY AIR PRODUCTS LIMITED

**QUARTERLY REPORT
SEPTEMBER 30, 2022
(UN-AUDITED)**

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Vali Mohammad M. Yahha
Mr. M. Hanif Y. Bawany
Mrs. Momiza Hanif Bawany
Mr. Mikhail Bawany
Mr. Wazir Ahmed Jogezi
Mr. Zakaria A. Ghaffar
Mr. Muhammad Danish

Chairman - Non Executive Director
Chief Executive Officer
Executive Director
Independent - Non Executive Director
Independent - Non Executive Director
Independent - Non Executive Director
Independent - Non Executive Director

AUDIT & HR COMMITTEE

Mr. Muhammad Danish
Mr. Vali Mohammad M. Yahha
Mr. Zakaria A. Ghaffar
Mr. Muhammad Munir

Chairman
Member
Member
Secretary to Audit Committee

HEAD OF INTERNAL AUDIT

Mr. Muhammad Munir

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. Abdul Rauf

AUDITORS

S. M. SUHAIL & CO.
Chartered Accountants

BANKERS

Faysal Bank Limited
United Bank Limited
MCB Bank Limited
National Bank of Pakistan

SHARE REGISTRAR

C&K Management Associates (Pvt) Ltd.
404, Trade Tower,
Abdullah Haroon Road, Karachi
Te: 35687839-35685930

REGISTERED OFFICE

Khasra No. 52/53 R.C.D. Highway,
Mouza Pathra, Tehsil Hub,
Lasbella District, Balochistan
Tel: 0853 - 363289
Fax: 0853 - 363290

CITY OFFICE

16-C, 2nd Floor, Nadir House,
I.I. Chundrigar Road,
Karachi
Tel: 021-32400440-41

ASSALAM-O-ALAIKUM

On behalf of the Board of Directors, I am pleased to present the Directors' Review on the three months period ended September 30, 2022. The un-audited financial statements of your Company for the first quarter ended of the year 2023 are also being presented for your perusal.

Year 2023 has started on a positive note for the Company as the long outstanding deal for the sale of assets was completed in the month of September 2022. The management has fulfilled its promise with the shareholders and as a result, the final installment under sale agreement was received. Accordingly, such assets have been removed from the books and related funds are being utilized by the Company in payment of liabilities. The left-over funds will be used in future business projects which are under consideration by the management keeping in view the economic situation and business dynamics.

There are different options under consideration of the Board however, the final decision will be made with due diligence and detailed deliberation as the economic and political situation of the country settles down.

The management has started paying off the liabilities and as of today, some liabilities have been paid including those to regulatory authorities as well as to the related parties and the rest of the liabilities are in process of settlement. This has improved the current ratio of the Company and it will further strengthen by 31 December 2022, which is a very healthy indication for the prospective investors.

On behalf of the Board, we thank ALMIGHTY ALLAH for this successful conclusion of the sale transaction which has eased the way to pay off liabilities completely. We also thank you for your support and trust on the management of the Company and are very hopeful that we our relationship with strengthen in future INSHA ALLAH.

On behalf of the Board


M. Hanif Y. Bawany
Chief Executive Officer


Momiza Hanif Bawany
Director

Karachi

Dated: November 23, 2022

ڈائریکٹران کا جائزہ

السلام علیکم!

بورڈ آف ڈائریکٹرز کی جانب سے میں ختم شدہ سہ ماہی مدت 30 ستمبر 2022 پر ڈائریکٹران کا جائزہ پیش کرتے ہوئے اظہار مسرت کرتا ہوں۔ آپ کی کمپنی کے پہلی سہ ماہی کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے سال 2023 بھی آپ کے ملاحظہ کے لئے پیش کئے جا رہے ہیں۔

سال 2023 کا آغاز ایک مثبت رجحان سے ہوا جس میں کمپنی کے اثاثوں کی فروخت کا سودا طویل تاخیر کے بعد ستمبر 2022 میں مکمل ہو گیا۔ انتظامیہ نے اپنے حصص یافتگان کے ساتھ کئے گئے وعدہ کو پورا کیا اور جس کے نتیجے میں معاہدہ فروخت کے تحت آخری قسط موصول ہو گئی۔ لہذا یہ اثاثے کتابوں سے ہٹا دیئے گئے ہیں اور ملحقہ رقومات کو کمپنی اپنے واجبات کی ادائیگیوں میں استعمال کرے گی۔ باقی رہ جانے والی رقومات کو کمپنی مستقبل کے کاروباری منصوبوں میں استعمال کرے گی جو کہ معاشی صورتحال اور کاروباری پہلوؤں کو مد نظر رکھتے ہوئے انتظامیہ کے زیر غور ہیں۔

مختلف آپشنز بورڈ کے زیر غور ہیں تاہم حتمی فیصلہ ملک کی معاشی اور سیاسی صورتحال مستحکم ہونے پر باضابطہ غور و خوض اور تفصیلی جائزے کے بعد کیا جائے گا۔

انتظامیہ نے اپنے واجبات کی ادائیگی شروع کر دی ہے اور اب تک کچھ واجبات ادا کر دیئے گئے ہیں جن میں انضباطی اداروں کے ساتھ ساتھ ملحقہ فریقین کی ادائیگیاں شامل ہیں اور باقی واجبات کے تصفیہ کا عمل جاری ہے۔ اس سے کمپنی کی موجودہ شرح میں اضافہ ہوگا اور یہ 31 دسمبر 2022 تک مزید مستحکم ہو جائے گی، جو کہ امکانی سرمایہ کاروں کے لئے ایک انتہائی امید افزا نشاندہی ہوگی۔

بورڈ کی جانب سے ہم فروخت کے سودے کی کامیاب تکمیل پر اللہ رب العزت کے شکر گزار ہیں جس کی وجہ سے ہمیں اپنے واجبات کی مکمل ادائیگی میں آسانی ہوئی۔ کمپنی کی انتظامیہ کے ساتھ تعاون اور اعتماد پر ہم آپ کے مشکور ہیں اور قوی امید کرتے ہیں کہ یہ تعلق مستقبل میں مزید مضبوط ہوگا، انشاء اللہ۔

منجانب بورڈ

Mumtaz

مومنز احیاف باوانی
ڈائریکٹر

Handwritten signature

ایم حنیف والی باوانی
چیف ایگزیکٹو آفیسر

کراچی


مورخہ: 23 نومبر 2022

BAWANY AIR PRODUCTS LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2022

		Unaudited September 30, 2022	Audited June 30, 2022
	Note	----- Rupees -----	
ASSETS			
Non Current Assets			
Property, plant and equipment	5	837,710	860,170
Long-term deposits		2,342,084	2,342,084
Current Assets			
Advances and other receivables		1,890,831	1,635,265
Sales tax refundable		824,547	824,547
Investments		45,296	45,297
Taxation - net		6,063,996	6,056,796
Cash and bank balances		151,106,067	241,109
		159,930,737	8,803,014
Non current assets held for sale		-	123,100,268
Total Assets		163,110,531	135,105,536
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital 15,000,000 Ordinary shares of Rs.10/- each		150,000,000	150,000,000
Issued, subscribed and paid-up capital		75,025,100	75,025,100
Accumulated loss		(20,841,967)	(86,995,393)
		54,183,133	(11,970,293)
Non Current Liabilities			
Long-term deposits		45,166,660	45,166,660
Current Liabilities			
Trade and other payables		3,908,010	3,983,010
Liabilities against non current assets held for sales		-	40,000,000
Accrued liabilities		29,421,344	26,903,256
Unclaimed dividend		717,420	717,420
Due to related parties		29,713,964	30,305,483
		63,760,738	101,909,169
Total Equity and Liabilities		163,110,531	135,105,536

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


M. HANIF Y. BAWANY
 Chief Executive Officer



ABDUL RAUF
 Chief Financial Officer


MOMIZA HANIF BAWANY
 Director

BAWANY AIR PRODUCTS LIMITED
CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	Un-audited	
	Three months ended	
	September 30, 2022	September 30, 2021
	-----Rupees-----	
	Note	
Sales - net	-	-
Cost of sales	-	-
Gross profit	-	-
Other operating income	450,000	450,000
	450,000	450,000
Administrative expenses	(2,579,737)	(2,428,567)
Other operating expenses - net	68,284,079	(358,273)
Finance cost - net	(916)	(1,345)
	65,703,426	(2,788,185)
Profit / (loss) before taxation	66,153,426	(2,338,185)
Provision for taxation	-	-
Profit / (loss) for the period	66,153,426	(2,338,185)
Other comprehensive income	-	-
Total comprehensive income / (loss)	66,153,426	(2,338,185)
Earnings per share - basic and diluted	8.82	(0.31)

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


M. HANIF Y. BAWANY
 Chief Executive Officer


ABDUL RAUF
 Chief Financial Officer



MOMIZA HANIF BAWANY
 Director

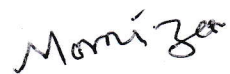
BAWANY AIR PRODUCTS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

		September 30, 2022	September 30, 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES	Note	----- Rupees -----	
Loss before taxation		66,153,426	(2,338,185)
Adjustments for:			
Surplus on disposal of assets held for sale		(68,899,732)	-
Depreciation		22,460	27,068
Finance cost		916	1,345
Operating cash flows before working capital changes		(2,722,929)	(2,309,772)
Working capital changes	7	1,596,003	(2,474,959)
Net cash used in operations		(1,126,926)	(4,784,731)
Finance cost paid		(916)	(1,345)
Income tax paid		(7,200)	(14,051)
Net cash used in operating activities		(1,135,042)	(4,800,127)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Proceed from disposal of plant and machinery items		152,000,000	3,571,200
Net cash generated from investing activities		152,000,000	3,571,200
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term deposits - net		-	1,708,750
Net cash generated from financing activities		-	1,708,750
Net increase in cash and cash equivalents (A+B+C)		150,864,958	479,823
Cash and cash equivalents at beginning of the period		241,109	74,177
Cash and cash equivalents at end of the period	8	151,106,067	554,000

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


M. HANIF Y. BAWANY
 Chief Executive Officer



ABDUL RAUF
 Chief Financial Officer



MOMIZA HANIF BAWANY
 Director


BAWANY AIR PRODUCTS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	----- Rupees -----		
Balance as at June 30, 2021	75,025,100	(77,940,920)	(2,915,820)
Transferred during the year	-	-	-
Total other comprehensive income	-	-	-
Total loss for the year ended June 30, 2022	-	(9,054,473)	(9,054,473)
Balance as at June 30, 2022	75,025,100	(86,995,393)	(11,970,293)
Total comprehensive income for the three months period ended September 30, 2022	-	66,153,426	66,153,426
Balance as at September 30, 2022	75,025,100	(20,841,967)	54,183,133

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.


M. HANIF Y. BAWANY
 Chief Executive Officer


ABDUL RAUF
 Chief Financial Officer


MOMIZA HANIF BAWANY
 Director

BAWANY AIR PRODUCTS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

1 THE COMPANY AND ITS OPERATIONS

Bawany Air Products Limited (the Company) is a public limited Company incorporated in Pakistan on August 16, 1978. The Company is currently listed on the Pakistan Stock Exchange Limited. The principal activities of the Company are production and trading of oxygen gas, dissolved acetylene and nitrogen gas. The manufacturing facilities are located at Hub Industrial Estate, Tehsil Hub in the province of Balochistan. The registered office of the Company is situated at Khasra No. 52/53 R.C.D. Highway, Mouza Pathara, Tehsil Hub, Lasbella District, Balochistan.

2 BASIS OF PREPARATION

This interim financial information has been prepared in condensed form in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and is being submitted to the shareholders as required by section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange Limited. This condensed interim financial information does not include all the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2022.

3 SIGNIFICANT TRANSACTIONS AND EVENTS THAT EFFECTED THE COMPANY'S FINANCIAL POSITION AND PERFORMANCE

During the period, the Company received final installment under sale agreement for land, building and certain machinery items. Accordingly such assets have been removed from the books and related funds are being utilised by the Company in payment of outstanding liabilities. The left over funds will be used in future business projects which are under consideration by the management keeping in view the economic situation and business dynamics.

4 SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies, estimates, judgments and methods of computation adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2022.

5 PROPERTY, PLANT AND EQUIPMENT

Operating property, plant and equipment

Note	Unaudited September 30, 2022	Audited June 30, 2022
	----- Rupees -----	
	837,710	860,170

- 5.1** Additions to property, plant and equipment during the period were Rs. Nil (June 30, 2022: Rs. Nil) and disposals there from at net book value were Rs. Nil (June 30, 2022: Rs. 69,544).

Un-audited	
Three Months Ended	
September 30,	September 30,
2022	2021
----- Rupees -----	

6 TAXATION

As the Company did not earn any taxable income during the period, therefore, there is no charge for taxation.

7 WORKING CAPITAL CHANGES

(Increase)/decrease in current assets

Advances and other receivables

(255,566) (475,505)

Increase in current liabilities

Trade and other payables

2,443,088 (1,946,346)

Due to related parties

(591,519) (53,108)

1,596,003 (2,474,959)

8 CASH AND CASH EQUIVALENTS

Cash and bank balances

151,106,067 554,000

151,106,067 554,000

9 TRANSACTIONS WITH RELATED PARTIES

The associated undertaking and related parties comprise associated companies, directors with related parties are as follows:

Associated undertakings

Organization charges paid

136,749 136,749

Loan repaid to associated undertaking

- 5,000

Other related parties

Contribution made by the Company to retirement benefit plan

33,390 35,400

Interest charged to the Company to retirement benefit plant

561 535

10 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on **November 23, 2022** by the Board of Directors of the Company.

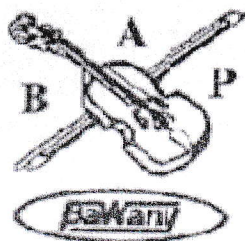
11 GENERAL

Figures presented in these condensed interim financial information have been rounded off to the nearest rupee.


M. HANIF Y. BAWANY
Chief Executive Officer


ABDUL RAUF
Chief Financial Officer


MOMIZA HANIF BAWANY
Director



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PRODUCTS LIMITED

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I.I. Chundrigar Road,

Karachi