



Pakistan

Half Yearly Report

For the Half Year ended
December 31, 2015



Contents

Company Information	02
Directors' Report to the Shareholders	03
Auditors' report to the Members on review of Interim Financial Information	04
Condensed Interim Balance Sheet as at December 31, 2015	05
Condensed Interim Profit & Loss Account for the Half Year ended December 31, 2015 (Un-audited)	06
Condensed Interim Statement of Comprehensive Income for the Half Year ended December 31, 2015 (Un-audited)	07
Condensed Interim Statement of Cash Flow for the Half Year ended December 31, 2015 (Un-audited)	08
Condensed Interim Statement of Changes in Equity for the Half Year ended December 31, 2015 (Un-audited)	09
Notes to the Condensed Interim Financial Information for the Half Year ended December 31, 2015 (Un-audited)	10

Company Information

Board of Directors

Mr. Rashid Abdulla
Chairman

Mr. Asad Abdulla
Chief Executive Officer

Mr. Zubair Palwala
Director

Mr. Ayaz Abdulla
Director

Mr. S. Nadeem Ahmed
Director

Mr. Tahir Saeed
Director

Mr. M. Salman Hussain
N.I.T Nominee

Audit Committee

Mr. Tahir Saeed
Chairman

Mr. Zubair Palwala
Member

Mr. Ayaz Abdulla
Member

Auditors

A. F. Ferguson & Co.,
(Chartered Accountants)
State Life Building No. 1-C, I.I.
Chundrigar road, P.O. Box 4716,
Karachi – 74000, Pakistan

Registered Office

United Distributors Pakistan Limited
9th Floor, NIC Building, Abbasi
Shaheed Road,
Off Shahrah-e-Faisal, Karachi
Web: www.udpl.com.pk

Company Secretary

Mr. Adnan Ahmed Feroze
Company Secretary

CFO

Mr. Sohail Hasnain Ahmed
Chief Financial Officer

Legal Advisor

A.K. Brohi & Co.
Khalid Anwer & Co.
153-K, Block 2, PECHS, Karachi.

HR. Remuneration

Mr. Ayaz Abdulla
Chairman

Mr. Zubair Palwala
Member

Mr. Asad Abdulla
Member

Bankers

Standard Chartered Bank Pakistan
Habib Metropolitan Bank Limited
Habib Bank Limited
Silk Bank Limited
MCB Bank Limited

Registrar

Central Depository Company of
Pakistan Ltd.
CDC House # 99-B, Block 'B'
S.M.C.H.S, Main Shahrah-e-Faisal,
Karachi

Directors' Report to the Shareholders

The Board of Directors of United Distributors Pakistan Limited (UDPL) is pleased to present the un-audited condensed interim financial information for the half year ended December 31, 2015.

BUSINESS REVIEW

July - December	
Period	
2015	2014
----- (Rupees in '000') -----	

Net sales	182,877	223,480
Gross profit	51,386	57,757
Profit from operations	31	6,282
Profit before taxation	72,710	96,064
Profit after taxation	43,932	89,684
Basic and diluted earning per share in (Rs.)	2.17	4.44

The period under review remained challenging for the agriculture sector due to higher input cost, low crop cultivation, low yields and unsatisfactory commodity prices etc. These factors have also impacted our business. The Company registered a net sale of Rs. 182.88 million as compared to Rs. 223.48 million over the corresponding period last year. The decline in sales during the period is due to low consumption of major products especially products related to rice crops.

Despite of dip in sales, the Company is able to improve the gross margin from 25.8% to 28.1% through the better product mix and good contribution of new brands during the period under review.

The company remains focused on cost economization which resulted in reducing the operating expenses by 10%. The finance cost also reduced significantly through an efficient handling of import and treasury functions over the corresponding period last year.

FUTURE OUTLOOK

We aim to keep on our journey to attain a profitable growth in future. Your company continues to maintain a strong positive outlook in agriculture sector of the country.

We continue to focus and invest on the fundamental strengths i.e. Our team, new brands, product registrations, enhances the customer base, and reduction in operating expenses that will help us to achieve the objective set out by the management.

ACKNOWLEDGMENTS

The Directors would like to express their gratitude to the Customer, Bankers and other Stakeholders for their continued support and encouragement and also place on record the appreciation of the valuable services rendered by the employees of the Company.

For and on behalf of the Board



ASAD ABDULLA
Chief Executive Officer

Karachi: February 29, 2016

Auditors' report to the Members on review of Interim Financial Information

INTRODUCTION

We have reviewed the accompanying condensed interim balance sheet of United Distributors Pakistan Limited as at December 31, 2015 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2015 and 2014 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2015.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half year ended December 31, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



EMPHASIS OF MATTER

We draw attention to note 7 to the condensed interim financial information. As stated in the note, as at December 31, 2015 the Company is holding 7,386,586 shares of International Brands Limited (Holding Company), amounting to Rs. 83,663,056. Our conclusion is not qualified in respect of this matter.

OTHER MATTER

The financial statements for the year ended June 30, 2015 and half year ended December 31, 2014 were audited and reviewed respectively by another auditor whose reports dated September 23, 2015 and February 24, 2015 expressed an unmodified opinion / conclusion thereon and included an emphasis of matter paragraph in respect of holding shares of International Brands Limited (Holding Company).

Engagement Partner:

A handwritten signature in black ink, appearing to read 'Farrukh Rehman', is written over a horizontal line.

FARRUKH REHMAN

(Chartered Accountants)

Karachi

Date: February 29, 2016

Condensed Interim Balance Sheet

as at December 31, 2015

(Restated)

		(Un-audited) December 31, 2015	(Audited) June 30, 2015
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	31,776	35,001
Intangible assets		248	248
Long-term investments	7	866,261	789,883
		898,285	825,132
CURRENT ASSETS			
Stock in trade		112,108	179,371
Trade debts		44,167	13,986
Loans and advances		434	546
Short-term deposits and prepayments		3,224	2,475
Other receivables	8	6,286	4,993
Tax refunds due from Government - Sales tax		-	562
Taxation - payments less provisions		25,059	24,914
Cash and bank balances		7,600	5,353
		198,878	232,200
TOTAL ASSETS		1,097,163	1,057,332
EQUITY AND LIABILITIES			
EQUITY			
Share capital		202,047	183,679
Reserves		703,616	675,385
		905,663	859,064
LIABILITIES			
NON CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		521	742
Diminishing musharakah financing payables		7,114	9,774
Deferred taxation		64,807	40,209
		72,442	50,725
CURRENT LIABILITIES			
Trade and other payables	9	86,851	123,466
Accrued mark-up		673	624
Short term borrowings - running finance under mark-up arrangements		25,322	14,765
Current portion of liabilities against assets subject to finance lease		429	2,442
Current portion of diminishing musharakah financing payables		5,783	6,246
		119,058	147,543
TOTAL LIABILITIES		191,500	198,268
Commitments	10	-	-
TOTAL EQUITY AND LIABILITIES		1,097,163	1,057,332

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



ASAD ABDULLA
Chief Executive Officer



ZUBAIR PALWALA
Director

Condensed Interim Profit and Loss Account

(Un-audited)

for the Half Year ended December 31, 2015

	Note	QUARTER ENDED December 31,		HALF YEAR ENDED December 31,	
		(Restated)		(Restated)	
		2015	2014	2015	2014
----- (Rupees in '000') -----					
Revenue	11	76,052	100,863	182,877	223,480
Cost of sales		(47,376)	(75,598)	(131,491)	(165,723)
Gross profit		28,676	25,265	51,386	57,757
Distribution costs		(23,554)	(27,454)	(46,675)	(54,258)
Administrative expenses		(4,439)	(3,142)	(8,177)	(6,821)
Other income		2,822	4,899	3,497	9,604
Profit/(loss) from operations		3,505	(432)	31	6,282
Finance cost		(1,756)	(4,366)	(2,280)	(6,747)
Share of profit from associate		74,959	96,529	74,959	96,529
Profit before taxation		76,708	91,731	72,710	96,064
Taxation		(27,323)	(4,953)	(28,778)	(6,380)
Profit after taxation		49,385	86,778	43,932	89,684
Basic and diluted earnings per share (Rupees)		2.44	4.29	2.17	4.44

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



ASAD ABDULLA
Chief Executive Officer



ZUBAIR PALWALA
Director

Condensed Interim Statement of Comprehensive Income

(Un-audited)

for the Half Year ended December 31, 2015

	QUARTER ENDED December 31,		HALF YEAR ENDED December 31,	
	2015	(Restated) 2014	2015	(Restated) 2014
	----- (Rupees in '000') -----			
Profit after taxation	49,385	86,778	43,932	89,684
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss				
Share of re-measurements of post employment benefit obligations of associate.	(9,982)	(1,423)	(9,982)	(1,423)
Deferred tax relating to component of other comprehensive loss	1,248	142	1,248	142
	(8,734)	(1,281)	(8,734)	(1,281)
Items that may be subsequently reclassified to profit or loss				
Unrealized gain on revaluation of available-for-sale investment	(20,613)	29,657	11,401	54,659
Total comprehensive income for the period	20,038	115,154	46,599	143,062

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



ASAD ABDULLA
Chief Executive Officer



ZUBAIR PALWALA
Director

Condensed Interim Statement of Cash Flows

(Un-audited)

for the Half Year ended December 31, 2015

		December 31, 2015	December 31, 2014
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	12	1,267	(436)
Finance cost paid		(2,231)	(6,747)
Income tax paid		(3,077)	(3,339)
Net cash used in operating activities		(4,041)	(10,522)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,256)	(575)
Purchase of Intangible asset		(128)	-
Proceed from redemption of short term investment		-	2,000
Return received on deposit account		-	32
Dividend received		1,340	5,817
Sale proceeds on disposal of property, plant and equipment		1,132	8,425
Net cash generated from investing activities		1,088	15,699
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of liabilities against assets subject to finance leases		(2,234)	(3,059)
Repayment of amount received under musharika arrangements		(3,123)	(2,482)
Net cash used in financing activities		(5,357)	(5,541)
Net decrease in cash and cash equivalents		(8,310)	(364)
Cash and cash equivalents at the beginning of the period		(9,412)	(11,736)
Cash and cash equivalents at the end of the period		(17,722)	(12,100)

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



ASAD ABDULLA
Chief Executive Officer



ZUBAIR PALWALA
Director


Condensed Interim Statement of Changes in Equity

(Un-audited)

for the Half Year ended December 31, 2015

	RESERVES				Total
	Share Capital	General Reserves	Unappropriated Profit	Gain on revaluation of available-for-sale investment	
	(Rupees in '000')				
Balance as at July 1, 2014 - as previously reported	183,679	28,548	392,914	-	605,141
Impact of re-statement - note - 5	-	-	64,182	40,300	104,482
Balance as at July 1, 2014 - as re-stated	183,679	28,548	457,096	40,300	709,623
Profit for the half year ended December 31, 2014	-	-	89,684	-	89,684
Other comprehensive income	-	-	(1,281)	54,659	53,378
Total comprehensive income	-	-	88,403	54,659	143,062
Balance at December 31, 2014	183,679	28,548	545,499	94,959	852,685
Balance as at July 1, 2015 as previously reported	183,679	28,548	502,820	-	715,047
Impact of re-statement - note - 5	-	-	72,183	71,834	144,017
Balance as at July 1, 2015 - as restated	183,679	28,548	575,003	71,834	859,064
Bonus shares issued during the period in the ratio of 1 share for every 10 shares held	18,368	-	(18,368)	-	-
Profit for the half year ended December 31, 2015	-	-	43,932	-	43,932
Other comprehensive income	-	-	(8,734)	11,401	2,667
Total comprehensive income	-	-	35,198	11,401	46,599
Balance at December 31, 2015	202,047	28,548	591,833	83,235	905,663

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.


ASAD ABDULLA
 Chief Executive Officer


ZUBAIR PALWALA
 Director

for the Half Year ended December 31, 2015

1. THE COMPANY AND ITS OPERATIONS

United Distributors Pakistan Limited (UDPL) was incorporated in Pakistan as a public company limited by shares and is listed on the Pakistan Stock Exchange of Pakistan. The registered office of the company is situated at 9th Floor, NIC Building, Abbasi Shaheed Road, Karachi. Its principal business activities are manufacturing, trading and distribution of pesticides, fertilizers and other allied products.

In 2011 the IBL Group decided to adopt the holding company structure wherein International Brands Limited holds at least 55% shareholding in all the subsidiary companies. This restructuring was undertaken to provide the platform to manage the long term Group expansion strategy, corporate compliance, operational efficiency, financial arrangements and tax benefits, thereby, resulting in improved returns to the shareholders.

After the approval of the scheme of Arrangement by the Honorable Sindh High Court on May 25, 2011, International Brands Limited became the Group holding company. The operating activities of the Company were transferred to IBL Operations (Private) Limited and separate books were opened effective July 01, 2011. As a consequence of the above restructuring, United Distributors Pakistan Limited received 5,504,149 shares of International Brands Limited (the holding company).

2. BASIS OF PREPARATION

This condensed interim financial information of the Company for the half year ended December 31, 2015 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Pakistan Stock Exchange.

This condensed interim financial information does not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2015.

2.1 Changes in accounting standards, interpretations and pronouncements

- (a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant
Following amendments to existing standards and interpretations have been published and are mandatory for accounting periods beginning on or after January 1, 2015 and are considered to be relevant to the Company's operations.
IFRS 12, 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangement, associates, structured entities and other off balance sheet vehicles. The standard will affect the disclosures in the financial statements of the Company.
IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirement for use across IFRSs. The requirement do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. The standard will affect the determination of fair value and its related disclosures in the financial statements of the Company.
- (b) Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant
Except as stated above, the new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2015 are considered not to be relevant for Company's financial statements and hence have not been detailed here.
- (c) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant
The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2016 are considered not to be relevant for Company's financial statements and hence have not been detailed here.

for the Half Year ended December 31, 2015

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2015, except as stated in note 5.

4. ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgments, estimates and assumptions.

However, management believes that the change in outcome of judgments, estimates and assumptions would not have a material impact on the amounts disclosed in this condensed interim financial information.

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2015, except as stated in note 5.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2015.

5. RE-STATEMENTS

LONG-TERM INVESTMENTS

- 5.1** During the current period, the Company reviewed its position regarding the recognition of share of profit from associate - FMC United (Private) Limited and concluded that in the light of requirement of International Accounting Standard 28 - 'Investment in Associates and Joint Ventures', share of profit from associate should be recognized at each reporting period. The share of profit was not previously accounted for in condensed interim financial information and instead was accounted for in annual financial statements with time lag of six months (i.e. December based results of the associate were incorporated in annual financial statements of the Company). Accordingly the Company has re-stated the financial information retrospectively in accordance with International Accounting Standard - 8 'Accounting Policies, Changes in Accounting Estimates and Errors' by adjusting the opening balance of Long term Investments, Deferred taxation and Reserves for the earliest prior period presented.
- 5.2** Previously, investment in IBL HealthCare Limited was treated as an investment in associate on account of common directorship, using equity method of accounting based on latest available audited accounts till June 30, 2015. During the current period, the Company revised its position regarding investment in IBL HealthCare Limited under equity method of accounting and concluded that in the light of requirement of International Accounting Standard 28 - 'Investment in Associates and Joint Ventures', IBL HealthCare Limited does not qualify as an associate, therefore, the Company decided to carry the above investment as available for sale. Accordingly, the Company has re-stated the financial information retrospectively in accordance with International Accounting Standard - 8 'Accounting Policies, Changes in Accounting Estimates and Errors', by adjusting the opening balance of Long term investments, Deferred taxation and Reserves for the earliest prior period presented. The valuation has been done on the basis of market price of IBL Healthcare Limited quoted on Karachi Stock Exchange (presently Pakistan Stock Exchange).

Notes to the Condensed Interim Financial Information

(Un-audited)

for the Half Year ended December 31, 2015

5.3 Effect of re-statements are as follows:

	As at July 1, 2014			As at June 30, 2015		
	As previously stated	As Restated	Restatement	As previously stated	As Restated	Restatement
Effect on balance sheet						
	----- (Rupees in '000') -----					
Long term investments						
Investment in associate - FMC United (Private) Limited - note 5.1	374,435	453,412	78,977	541,139	629,853	88,714
Available for sale investment - IBL HealthCare Limited - note 5.2	9,811	44,833	35,022	13,044	76,367	63,323
Deferred taxation	6,321	15,838	9,517	32,189	40,209	8,020
Reserves						
Unappropriated profit	392,914	457,096	64,182	502,820	575,003	72,183
Gain on revaluation of available-for Sale investments	-	40,300	40,300	-	71,834	71,834
Increase in equity	-	-	104,482	-	-	144,017

	For the quarter ended December 31, 2014			For the six months ended December 31, 2014		
	As previously stated	As Restated	Restatement	As previously stated	As Restated	Restatement
Effect on profit and loss account						
	----- (Rupees in '000') -----					
Other Income	4,899	5,420	521	9,083	9,604	521
Share of profit from associates	-	96,529	96,529	-	96,529	96,529
Taxation	4,700	(4,953)	(9,653)	3,273	(6,380)	(9,653)
Increase in profit after taxation			<u>87,397</u>			<u>87,397</u>

Effect on Other comprehensive income

Share of re-measurements of post employment benefit obligations of associate	-	(1,423)	(1,423)	-	(1,423)	(1,423)
Deferred tax relating to component of other comprehensive loss		142	142		142	142
Unrealized gain on revaluation of available-for-sale investment	-	29,657	29,657	-	54,659	54,659
			<u>28,376</u>			<u>53,378</u>

Effect on Earning per share

	----- (Amount in rupees) -----					
Earning per share - basic and diluted	(0.01)	4.29	4.30	0.11	4.44	4.33

There was no cash flow impact as a result of the restatements.

Notes to the Condensed Interim Financial Information

(Un-audited)

for the Half Year ended December 31, 2015

6. PROPERTY, PLANT AND EQUIPMENT

Following are additions to / disposals of property, plant and equipment during the period:

	Additions (at cost)		Disposals (at net book value)	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	----- (Rupees in '000') -----			
Plant and Machinery	947	316	-	-
Computers	207	17	-	47
Office Equipment	102	227	20	259
Furniture and Fixtures	-	15	4	1,399
Vehicles	-	-	70	1,023
	1,256	575	94	2,728

7. LONG-TERM INVESTMENTS

INVESTMENT IN ASSOCIATE

FMC United (Private) Limited - note 5.1

1,639,418 (June 30, 2015: 1,639,418) fully paid ordinary shares of Rs. 10 each
 Percentage holding 40% (June 30, 2015: 40%)
 Cost Rs. 16,394,180 (June 30, 2015: Rs. 16,394,180)

Available for sale investments

IBL Healthcare Limited - Listed - note 5.2

797,167 (June 30, 2015: 669,889) fully paid ordinary shares of Rs. 10 each
 Percentage holding 2.22% (June 30, 2015: 2.24%)
 Cost Rs. 4,533,180 (June 30, 2015: Rs. 4,533,180)

International Brands Limited - (Holding Company) - Unlisted - note 7.1

7,386,568 (June 30, 2015: 7,386,568) fully paid ordinary shares of Rs. 10 each
 Percentage holding 5% (June 30, 2015: 5%)
 Cost Rs. 83,663,056 (June 30, 2015: Rs. 83,663,056)

(Restated)	
(Un-audited) December 31, 2015	(Audited) June 30, 2015
----- (Rupees in '000') -----	
694,830	629,853
87,768	76,367
83,663	83,663
171,431	160,030
866,261	789,883

7.1 As explained in note 1 the Company is holding shares of International Brands Limited (Holding Company) which has been carried at cost. During the current period, the Holding Company announced issue of right shares (the Company was entitled to 443,194 shares at Rs.71 per share). Since the Company cannot buy its Holding Company's shares under the requirements of Companies Ordinance, 1984, the right issue was not subscribed.

8. OTHER RECEIVABLES - unsecured

These include Rs. 6.1 million (June 2015: Rs. 4.64 million) receivable from related parties.

Notes to the Condensed Interim Financial Information (Un-audited)

for the Half Year ended December 31, 2015

9. TRADE AND OTHER PAYABLES

These include Rs. 1.24 million (June 2015: Rs. 1.2 million) payable to related parties.

10. COMMITMENTS

The facilities for opening letter of credit as at December 31, 2015 amounted to Rs. 250 million (June 30, 2015: Rs. 250 million). The amount remaining unutilised as at December 31, 2015 is Rs. 209 million (June 30, 2015: Rs. 170 million).

11. REVENUE

December 31, 2015	December 31, 2014
----------------------	----------------------

----- (Rupees in '000') -----

Gross Sales	218,698	325,909
Less: Trade discounts	(1,448)	(16,127)
Sales return	(12,464)	(43,551)
	204,786	266,231
Less: Sales tax	(21,909)	(42,751)
	182,877	223,480

12. CASH GENERATED FROM OPERATIONS

Profit before taxation	72,710	96,064
Adjustment for non-cash charges and other items		
Depreciation and amortisation	4,515	5,706
Gain on disposal of property, plant and equipment	(1,038)	(5,697)
Return on deposit account	-	(32)
Finance costs	2,280	6,747
Dividend income	(1,340)	(2,536)
Share of profit of associates	(74,959)	(96,529)
	(70,542)	(92,341)
Profit before changes in working capital	2,168	3,723
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets:		
Stock-in-trade	67,263	73,335
Trade debts	(30,181)	(7,937)
Loans and advances	112	856
Short-term deposits and prepayments	(749)	169
Other receivables	(1,293)	12,385
Tax refunds due from Government - Sales tax	562	-
	35,714	78,808
Decrease in trade and other payables	(36,615)	(82,967)
Cash generated from / (used in) operations	1,267	(436)

Notes to the Condensed Interim Financial Information

(Un-audited)

for the Half Year ended December 31, 2015

13. TRANSACTIONS WITH RELATED PARTIES

The following transactions were carried out with related parties during the period:

		December 31, 2015	December 31, 2014
----- (Rupees in '000') -----			
Nature of relationship	Nature of transactions		
i. Holding Company	Corporate service charges	1,200	-
	Payment on behalf of Holding Company	1,155	-
	Dividend received	-	2,015
ii. Associated Companies	Dividend received	1,340	3,800
	Receipts form associated Company	369	8,562
	IT services	246	60
	Warehouse rent	686	624
	Other income	328	3,227
	Other expense	25	-
iii. Employees' Provident Fund	Contribution paid	1,873	1,899
iv. Key Management Personnel	Salaries and other employee benefit	6,407	6,502
	Directors' fee	11	11

14. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was approved and authorized for issue by the Board of Directors of the Company on February 29, 2016



ASAD ABDULLA
Chief Executive Officer



ZUBAIR PALWALA
Director

Book Post

United Distributors Pakistan Limited



Under Certificate of posting

If undelivered please return to:

9th Floor, NIC Building, Abbasi
Shaheed Road, Karachi-75530

Tel: +92-21-35116823
+92-21-35635514-15

Fax: +92-21-35635518

e-mail: info@udpl.com.pk

web: www.udpl.com.pk